



NO TOKEN COLLECT

Tories promise golden future

Inside: Blueprint for 2000, page 8; Leading article, page 19; Polly Tynbee, page 21

With promises to maintain the value of child benefit and family credit, and to introduce the "people's pension" which would slash £40bn off the tax bill by the middle of the next century, Mr Major said he was offering "one of the biggest transformations of the welfare state since it was founded." But he told ITN: "Now, I am a child of the welfare state, and I wish to make sure it is there for my children and my children's children. That is why we are making long-term changes and long-term reforms, to sustain it and improve it."



Drought Q&A, page 4

Waiver of the Death Penalty", said: "We were hoping that Mr Gilford would consider its legal and philosophical arguments.

"We didn't intend to be pushy. We intended to be compassionate and caring."

Jim Phipps, one of Mr Gilford's lawyers in Riyadh, said: "He has simply said he will respect the outcome of the Saudi legal process. He also feels if you ain't guilty, then you don't need to make a plea for clemency."

The spiritual
adventure
continues...

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news

significant shorts

Teachers warn of boycott in the fight to cut workloads

Teachers will boycott excess paperwork if a new government does not act within a year to lighten their workloads, the second largest teaching union warned yesterday.

The National Association of Schoolmasters - Union of Women Teachers, meeting in Bournemouth, vows to take "whatever measures necessary" to ease the burden of bureaucracy. The union pledged to carry out its threat only if a new administration elected on 1 May rejected the deal it offered, described by Mr de Gruchy as "social partnership with a sting in the tail". The Conservative government had let down teachers by phasing in an "already modest" 3.3 per cent pay award over eight months, the conference heard. The Labour Party was also criticised for failing to condemn phasing.

Tory manifesto proposals for a Royal College of Teachers won little support from Mr de Gruchy. He feared parents could try to use such a body to raise complaints about teachers they claimed were incompetent.

Lucy Ward

Violent attack by rapist feared

A sex attacker who indecently assaulted two boys could strike again, a senior detective warned. Police said scientific evidence proved the same man was responsible for the attempted rape of an 11-year-old boy in Newmarket, Suffolk, in September and the rape of a 14-year-old near Braintree, Essex, in March.

"In both attacks the boys did not offer any resistance," said Det Supt Worobec. "My fear is that if he strikes again and if resistance is offered, there is a possibility that he may get violent." In both cases the attacker was described as being of Mediterranean or mixed race appearance. He had black hair, was in his Twenties, of average build and height, clean-shaven, had an East Anglian accent and wore a blue denim jacket and jeans.

Army brass surf net for recruits

Army chiefs, facing a 5,350 manpower shortage, are targeting the Internet for the next generation of recruits. Advertisements entitled "Mega Drive Required" are to be placed in Internet magazines and national newspaper supplements inviting web surfers to accept the Army World Challenge.

Five challenges, including defusing a Second World War bomb in a crowded London underground station and untangling an emergency on a parachute jump over Germany, await the surfer.

"The Internet allows us to reach the bright, inquisitive youngsters who are seeking a challenge from life," said Major Alasdair Goulden, responsible for the new campaign.

Appeal to Major over jailed soldiers



John Major was asked to intervene to press for the early release of two Scots Guards jailed for life for killing a Belfast man while on patrol.

A delegation supporting the two soldiers marched to 10 Downing Street yesterday to deliver letters of support from ex-servicemen.

The campaigners included two retired generals and Phil Gallic (left), the MP for one of the men, Jim Fisher, 28, from Ayrshire. Mr Fisher and Mark Wright, 23, from Arbroath, were jailed for life after being found guilty of murdering Peter McBride. They shot McBride, 18 and unarmed, while on patrol in 1992. The trial heard they thought the youth was carrying a bomb. A High Court judge ordered a review in December but campaigners say the review is taking too long.

Rapid test found for killer disease

Scientists at the University of Wales in Cardiff have developed a new, rapid test for the diagnosis of killer meningitis. At present, patients suspected of having the disease have to undergo painful lumbar puncture tests, in which fluid is drawn off from the spine and analysed in a laboratory. Results can take 24 hours, or more.

The new method, which allows a result within 30 minutes, uses blood and urine samples and can distinguish between B and C strains of the meningococcal infection. This is important because a vaccine is available against the C strain, which can be deployed once it is identified in an area. Trials have started at five hospitals in England and Wales and one in Dublin.

Annabel Ferriman

Equity says the show will not go on

The actors' union Equity began nationwide industrial action in its pay dispute with a theatre managers' group. Equity's 35,000 members have been asked by the union not to sign any new contracts in Britain's 104 subsidised regional theatres.

The dispute is over minimum pay. Equity want a guaranteed minimum of £250 a week with a £75 weekly subsistence allowance. The current minimum salary in subsidised repertory is £190 a week with a subsistence payment of £56 for actors working away from home. An offer from employers group the Theatrical Management Association of £200 this week and £225 in 1998 was rejected by Equity's Council two weeks ago. Action, if maintained, would black out most of the theatres by the summer.

Synthetic aid for genetic disorder

A synthetic miniature chromosome has been created for the first time by a team of scientists in Ohio, US, who hope it will eventually help in the battle against genetic disease.

The new artificial chromosome is about one-fifth to one-tenth the size of a real human chromosome, which is a threadlike structure found in every human cell, responsible for carrying our genetic material. Scientists hope the synthetic construction may be useful in carrying healthy genes into the faulty cells of people with genetic diseases, such as cystic fibrosis or a form of muscular dystrophy. "People have been so frustrated by gene therapy, which has not lived up to the hype," said Huntington Willard, a geneticist from Case Western Reserve University and an author of the report, published in the journal *Nature Genetics*.

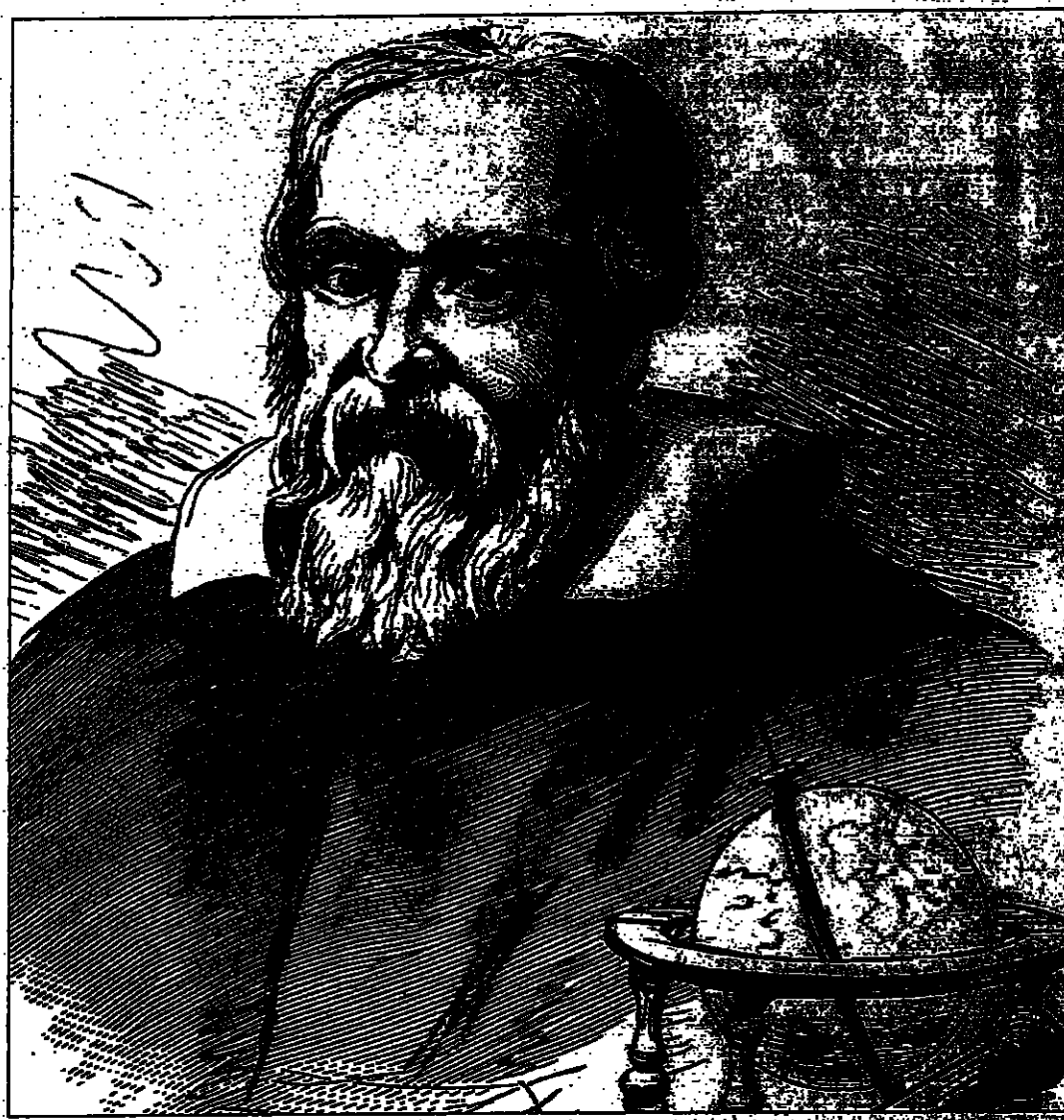
Annabel Ferriman

Police suspended after illicit puff

Three police officers caught smoking cannabis have been suspended, it was revealed yesterday. The trio, two men and a woman, were all served together at Gloucester police station.

Two of the officers were arrested while working the late night shift last night. A Gloucestershire police spokeswoman said: "An internal disciplinary inquiry is under way into the conduct of three officers in relation to the alleged use of soft drugs."

people



Galileo: Saw no difficulty reconciling science and religious belief (Picture: Corbis)

Scientists who put their faith in heavenly power

When it comes to God, a surprising number of scientists are with Galileo. "I don't read the Bible to find out how the heavens go, but how to go to heaven," said Donald Bruce yesterday, quoting the legendary astronomer.

Mr Bruce describes himself as a "believing chemist" - and not such a rare commodity, it seems. As director of a Church of Scotland project entitled Society, Religion and Technology, he was comforted to learn that 40 per cent of scientists believe in God and an afterlife. The figure, reported in the latest edition of the revered journal *Nature*, has reopened the debate about whether religious belief and scientific pursuit are compatible.

On the one hand, there are figures such as the former Archbishop of York, John Habgood, a trained scientist, and the Bishop of Leicester, Tom Butler, an electrical engineer. And on the other, high-profile atheist scientists, such as Richard Dawkins.

Significantly, the number of God-fearing scientists has not changed in the last 80 years - despite the leaps of discovery made in that time. In 1916 a landmark survey by the eminent researcher James Leuba found that 60 per cent of American scientists did not believe in God. The result caused a sensation at the time, prompting warnings from politicians about the evils of modernism.

While Leuba's prediction that non-belief among scientists would increase in the future has not come true,

there has been a significant shift in the views held by practitioners of the three fields surveyed - mathematics, biology and physics/astronomy.

Although biologists were the biggest doubters in Leuba's day, physicists and astronomers are now the leading disbelievers, with 77.9 per cent denying the existence of God. Mathematicians were the scientists most inclined to believe in God today, a total of 44.6 per cent.

Edward Larson of the University of Georgia and colleague Larry Witham from Maryland questioned 600 scientists listed in the 1995 edition of *Scientific American* and *Women of Science*.

Professor Dawkins, Reader in Zoology at New College, Oxford, and author of *The Selfish Gene*, is one of the scientific community's most vocal atheists. To him, God is simply a rival hypothesis that he deems wrong. In his book *River of God*, he wrote that the discovery of the genetic code revealed "there is no spirit-driven life force, no throbbing, heavy, pulsating, protoplasmic, mystic jelly. Life is just bytes and bytes of digital information."

But a spokesman for the Catholic Church dismissed such notions, pointing out that the Vatican employed its own scientists. "In the past scientists were seen as atheists because they raised questions about God and the universe, but science and religion are becoming more reconciled now. The idea that scientists don't believe in God is a bit of a myth."

Claire Garner

Ayckbourn's theatre offered cash lifeline

Sir Alan Ayckbourn's financially troubled seaside theatre was yesterday thrown a cash lifeline.

The Stephen Joseph Theatre in Scarborough was set to close in September, with the loss of 30 full-time and 60 part-time jobs, after North Yorkshire County Council axed a grant of nearly £80,000.

The grant was linked to £175,000 Arts Council lottery funding and the theatre, which opened a year ago with financial backing from the playwright, would not have survived the loss of so much cash.

But yesterday the council announced that £40,000 may still be available for the theatre if certain conditions are met.

Although the cash only amounts to half the original grant, it means the theatre - which must produce a "viable business plan" to get the reduced sum - will still receive all the lottery money and should therefore remain open.

Theatre spokeswoman Jeannie Swales said: "We're very pleased that the council has re-addressed the funding issue, but we're not throwing any parties until we know for sure what's going on."



The council, which has said another £30,000 could be available for the threatened Harrogate Theatre, has warned that a newly elected county council will be responsible for awarding next year's grants.

Radcliffe fails to halt R1 slide

Mark Radcliffe, who replaced Chris Evans as presenter of Radio One's breakfast show, has failed to stop listeners deserting the station, according to a report yesterday, which said that nearly 400,000 listeners had been lost in the last two months.

While not denying the claim, the BBC said the figures were "inaccurate".

The report, in this week's *The Radio* magazine, claimed the station lost 372,000 weekly listeners in February and more in March. It said the audience figures could plunge to their lowest since the station began in 1967.

The alleged decline accelerated after the exit of Chris Evans, the magazine said. But it could also be due to the growth in popularity of Radio 5 Live and Steve Wright's hugely popular Saturday morning show on Radio 2.

Wright's audience increased by 150,000, according to the last published independent figures.

The last officially audited Rajar ratings showed Radio One attracted more than 10.6 million weekly listeners. It would have an estimated weekly audience reach of about 10.14 million if the new figures are correct.

Mother defends helping her son buy heroin

A 62-year-old Women's Institute member and school governor yesterday defended making daily trips to buy heroin from back-street dealers to feed her son's addiction.

Ex-nurse Marjorie Blackadder, 62, has spent thousands of pounds of her savings over the past five years on her son, Christopher, 23.

In an interview with GMTV, the regular churchgoer, who lives in Carlisle, Cumbria, said: "We had a discussion and he genuinely wants to get off heroin but has great problems. So I did a deal with him. I said that I would actually monitor his use of heroin to try to help him reduce his intake each day and I have been doing that."

"I actually give him the money and take him in the car. I don't know where he goes. He goes and gets the heroin and he comes back home and he takes it. Since February I have been able to reduce him

from taking half-a-gramme of heroin a day and hopefully today is going to be the first day free of heroin."

Mrs Blackadder, who says she has had the support, to a certain degree, of her family and friends, added: "I am actually keeping him healthy. I am keeping him safe, keeping him out of trouble and probably saving the country some money because the police aren't involved any longer."

"Yes, it is difficult to justify it, but at the end of the day I love my son and do feel it is my responsibility. It's not society's responsibility to support my son. It's my responsibility to help him get better and that's what I'm trying to do."

Mrs Blackadder has said she believes "morally and religiously" she could not allow her son to steal to afford his £20-a-day addiction. She said she could not abandon him and that the decision to support him was the lesser of two evils.

briefing

MOTORING

Britain tops European league for car theft

Motorists in the UK are twice as likely to have their vehicles stolen as anywhere else on the Continent, research by the motor insurance company Eagle Star has found. But Britain's position on top of the European car theft league does not indicate security shortcomings, manufacturers insisted yesterday.

The Society of Motor Manufacturers and Traders said the types of cars being stolen abroad were the same as those being taken in the UK. "This indicates more than anything else that we have a more thriving theft business," said an SMMT spokesman.

The Eagle Star figures show that in England and Wales there are nearly 23 thefts per 1,000 cars - equivalent to one vehicle being stolen every minute. The overall UK figure is 22 cars stolen for every 1,000 in use - twice as bad as the next worst country, France. The theft rate for Scotland is 15.5 per 1,000, while the Northern Ireland rate is 14.6.

Car theft is lowest in Austria, where fewer than 1.5 per 1,000 were stolen in 1995. The next safest country is Switzerland, with three per 1,000.

SCIENCE

Life of luxury boosts brain power

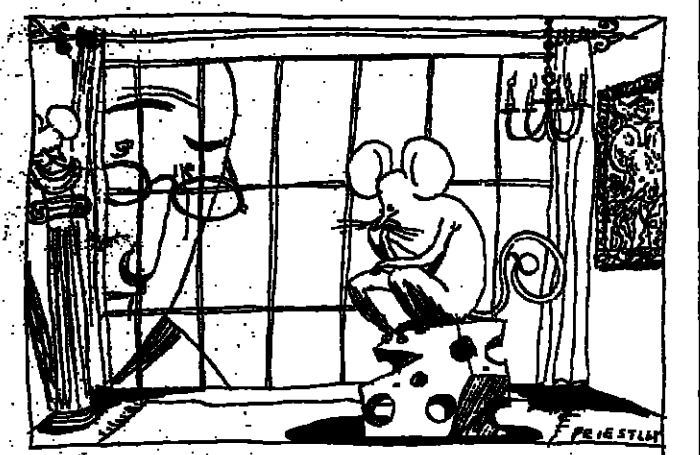
Being pampered when young is good for your brain - at least, if you're a mouse. Mice reared in big cages and given plenty of nesting material, snacks, and toys such as tunnels and wheels to play with, had more developed brains than those brought up in a barren, deprived environment, according to research, published today in the science journal *Nature*.

The hippocampus - the part of the brain that deals with learning and memory - had on average 15 per cent more neurons in the "enriched" mice than those brought up in dull surroundings. They also performed better in tasks such as escaping a water-filled maze.

The group of 12 "standard" mice were brought up with four sharing a single bare cage. The other 12 were put in a specially designed cage with a square metre of ground area equipped with paper tubes, nesting material, a rearrangeable set of plastic tubes, a sisal tunnel with various openings and a running wheel.

As well as their normal food, the mice in the luxury cage were given extra treats including cheese, crackers, apples, popcorn, and whole-grain nibble bars.

Charles Arthur



HOUSING

Shortage of affordable homes

Shortage in affordable homes being built or refurbished will be growing by 48,000 a year by the turn of the millennium, the National Housing Federation claims today. Launching its Lost Homes Campaign, the NHF - which represents housing associations and trusts - warns that the problem is a "Treasury time bomb" which will have to be dealt with and paid for one day - whoever wins the general election.

Chief Executive Jim Coulter said the latter that a government picked up the bill, the more it would cost. "The growing homes crisis will mean even more stress on health authorities, police forces and schools as the knock-on effects of poor and inadequate housing will hit people and communities in many ways."

The *Lost Homes Campaign*, National Housing Federation, 175 Gray's Inn Road, London WC1X 8UP.

Michael Street

CITIES

Improving capital's infrastructure

The way London is run has improved marginally in recent years, according to a new study - but roads, policing and transport are still badly co-ordinated. And demands for some kind of elected authority continue to be ignored.

One remedy is the creation of a directly elected mayor, but the study says the future of London as a working city depends entirely on how far Whitehall is prepared to cut the strings and allow Londoners to make their own decisions.

The report, prepared for the Joseph Rowntree Foundation by academics at the London School of Economics, praises partnerships between boroughs and the Government's specialist office for London. But it argues the capital's chronic traffic problems illustrate how much more needs to be done to co-ordinate a plethora of different committees, departments and offices.

The *New Government of London*, JRF, The Homestead, 40 Water End, York YO3 6LP.

David Walker

CRIME

Gang killings increase in Ireland

Ireland's typical murder victim is a man aged up to 35 with no job, according to figures produced by police. Statistics from a 10-year study also showed that most victims were either shot or stabbed in their own homes at night. And recent indicators pointed to a sharp increase in gangland killings, a management journal of the Irish police force reported.

The figures suggested that the murder detection rate could be falling with the spread of such killings.

While male victims were most likely to be stabbed or shot, women tended to be killed in kicking and hitting attacks, or through strangulation and arson.

The study highlighted no apparent motive for many murders, but revenge and disputes were identified as principal reasons for the crime, ahead of gangland killings.

HEALTH

Shop around for specs

People buying spectacles should shop around as prices vary hugely between stores, according to the Consumers' Association magazine, *Which?* Roughly half the population wear spectacles, increasing to more than 90 per cent of the over-55s, and the market was worth nearly £1.3bn last year. The average cost in 1995 was £95 per pair, the magazine said.

The four big national chains - Boots Opticians, Dolland & Aitchison, Specsavers and Vision Express - account for more than a third of all sales. But they are not necessarily the cheapest places to go, *Which?* found. It can be hard to see price differences, as opticians fail to display costs clearly or consistently, the magazine said. A major obstacle to checking prices was the way they were displayed, making it hard to compare them - and easy for opticians to charge varying prices without customers noticing.



NEWSPAPERS SUPPORT RECYCLING
Recycled paper made up 41.2% of the raw material for UK newspapers in the first half of 1996

Boy, 15, dies after 'hanging' in police cell

Patricia Wynn Davies

A fresh controversy was looming yesterday over the care of juveniles in custody when a 15-year-old boy died after being found unconscious in a police cell.

The teenager, who had not been named last night, was rumoured to have tried to hang himself in the cell at Hartlepool police station, although the results of a post-mortem examination conducted yesterday will not be released until today.

The death will be viewed as particularly controversial because juveniles are not supposed to be held in police cells under any circumstances.

The 15-year-old had been arrested on suspicion of burglary and was found unconscious by custody officers at 3.15 pm on Monday. It is understood that officers resuscitated him before paramedics rushed him to Hartlepool General Hospital. He was put on a life support system but died at 11 am yesterday morning.

Cleveland Police voluntarily referred the case to the Police Complaints Authority on Tuesday. Neither the force nor the authority would comment on reports that the youth, understood to be from the Hartlepool area, had used the waistband of his track suit bottoms to try to hang himself. "It is too early to speculate on the cause of death," an authority spokeswoman said.

Tony Williams, the authority member supervising the PCA investigation, has agreed to the ap-

pointment of Superintendent Len Ross of Cleveland Constabulary's complaints department, as investigating officer.

The boy's family have requested anonymity. Supt Ross said: "We are investigating an incident at Hartlepool police station. We are respecting pleas from the boy's family for no publicity and we are speaking to other people who were in the cells."

Roger Ede, secretary to the Law Society's criminal law committee, said the Code of Practice under the

1984 Police and Criminal Evidence Act made it clear that juveniles should not be placed in the cells.

"Most police stations would have a detention room for those juveniles who need to be detained," Mr Ede said. "The rooms are much more spacious and less intimidating than cells and, crucially, nearer the custody officer. But juveniles are sometimes put in cells because there is nowhere else to put them."

Mark Grindrod, juvenile project manager for the Howard League for

Penal Reform, said: "If you have juveniles in custody you have to have particular concerns about their vulnerability, because they are particularly volatile and particularly prone to carrying out acts which perhaps they do not fully think through. That's why we have such specific and stringent safeguards about interviewing and detaining juveniles, with onerous responsibilities placed on those - whether in police stations or prisons - who have custody of them."

A juvenile should not be held in

a cell before being interviewed and a decision over whether to charge him or her is reached. Once a decision to charge has been made, police can bail the young person into the care of social services, or send him or her home, pending a court appearance.

The boy's death follows a series of suicides by juveniles who were being held in prisons.

The Howard League warned this week that the prison suicide toll would continue to rise as

If this man is so rich, how come he's selling his art collection?

Claire Garner

Musician Eric Clapton is selling his paintings in order to make room for more. While his collection of 20th century art is expected to fetch as much as £500,000, it is not the money he needs, but wall space.

Rather than put the pictures, drawings and sculptures which decorate his large Chelsea home into storage, the guitar legend has decided to put them under the hammer instead. On 29 May, Christie's will auction most of the collection he has assembled over the past five years in a sale of contemporary art in London.

"He's clearing wall space rather than anything else," said Monica Campos, a specialist in contemporary art at Christie's in London. "The collection consists of a few artists in great depth and he would like to move into other collecting fields. Because they are big, big paintings - several measure approximately two metres by two metres - really it's a matter of having the space to acquire new art."

Clapton is a shrewd and serious collector. Paintings by the op-art and abstractionist English painter, Bridget Riley, and by the Italian Sandro Chia and Marina Abramovic, show a strong interest in key figures of the past few decades.

He also collected Matthew Smith - one of the most luscious and sensuously enjoyable of the English 20th-century post-impressionists, and has drawings by Matisse, Degas and de Chirico.

In dispensing with his collection, Clapton joins a list of celebrities who have parted with their art after being bitten by the collecting bug. In 1994, Barbra Streisand's collection of 20th century art fetched £4.1m at Christie's in New York. Writing in the catalogue foreword, Ms Streisand ex-



Green collection: Eric Clapton's picture along side 'Untitled' by Sandro Chia, which goes on sale with the rest of the musician's art collection next month

Photograph: Nicola Kurtz

plained: "I'm at a whole new place now... I want to simplify my life. I want only two houses instead of seven."

In 1988, Elton John's collection of art deco was sold for £4.5m at Sotheby's, following a preview in the Victoria & Albert Museum in London.

Unlike prominent private collectors of 20th century art, such as Madonna and Jack Nicholson, Clapton's passion has been kept quiet. "It wasn't publicly known because it was more his personal collection to decorate his home. He was not building a foundation like other collectors do," said Ms Campos.

His aesthetic taste gets full marks from the auctioneers. "As with his music," said Ms Campos, "his taste is eclectic, highly personal and strongly rooted in tradition. It has been assembled by someone who has not been affected by the vagaries of fashion."

The collection is estimated at £300,000 to £500,000. The most valuable works are Riley's *Sheng Tung*, "a shimmering and hypnotic canvas", and Chia's *The Handgame*, both estimated at £30,000 to £40,000.

The "personal touch", reflected in the cross-section of styles and media, is, according to Ms Campos, encouraging for the art world.

Americans play chicken with food hygiene rules

Sarah Helm
Brussels

American chickens, which end up on British tables, have been kept for long periods in a warm, festering soup of faeces and grime, allowing bacteria to spread from bird to bird.

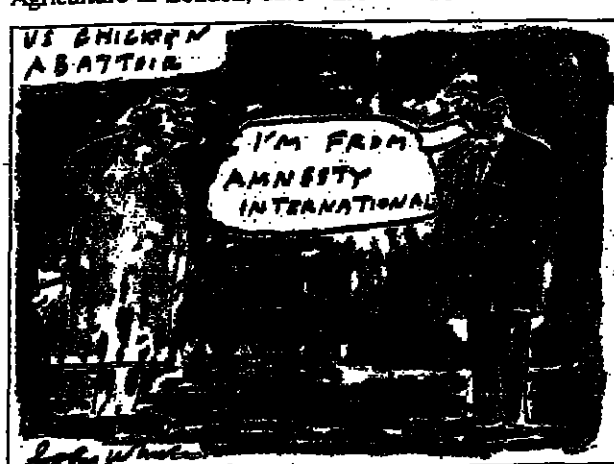
Britain imports about two and a half thousand tons of chicken from America every year - the second biggest importer in the European Union - which are believed to find their way into processed meat products.

A gruesome picture emerged yesterday of how the Americans treat their chickens. According to European veterinary experts, when the chickens are packed in the US for export they are embedded in ice, which quickly melts, pouring in streams, mixed with chicken blood, through special leak holes cut in boxes. The warm dirty water flows over unprotected carcasses, creating further risk of contamination. On American poultry abattoir floors much "pooling of water is observed" as well as parts of bird carcasses seen unwrapped and sticking out of boxes.

The US abattoirs depend on disinfection with chlorine, at the end of the processing, to decontaminate the carcasses. Such decontamination is banned in the European Union, and the entire American system falls well below European hygiene standards.

The findings of the European veterinary experts, who have recently inspected US poultry and meat export abattoirs, have led to EU threats

of an all-out ban on the import of American chicken, and brought Europe and the US to the brink of a trade war. Yet, despite the crisis in EU-US relations, and the findings of high contamination risk, neither the European Commission in Brussels, or the Ministry of Agriculture in London, have



any advice for Europe's retailers or consumers. American chicken is still not officially banned and is still on sale here.

American chickens constitute only a small percentage of the birds eaten in Europe, but US products are widely used for cheap chicken products and are often found on sale in supermarkets. The US has accused Europe of exaggerating the dangers in order to block the import of American meats. But one of the European team who carried out inspections, described what he had seen in the US abattoirs as "simply disgusting".

The thrust of the European findings appears to be supported by an independent report by one of America's own leading consumer health bodies, the Centre for Science in the Public Interest. It has found that 20 per cent of US broiler chickens are contaminated with salmonella before

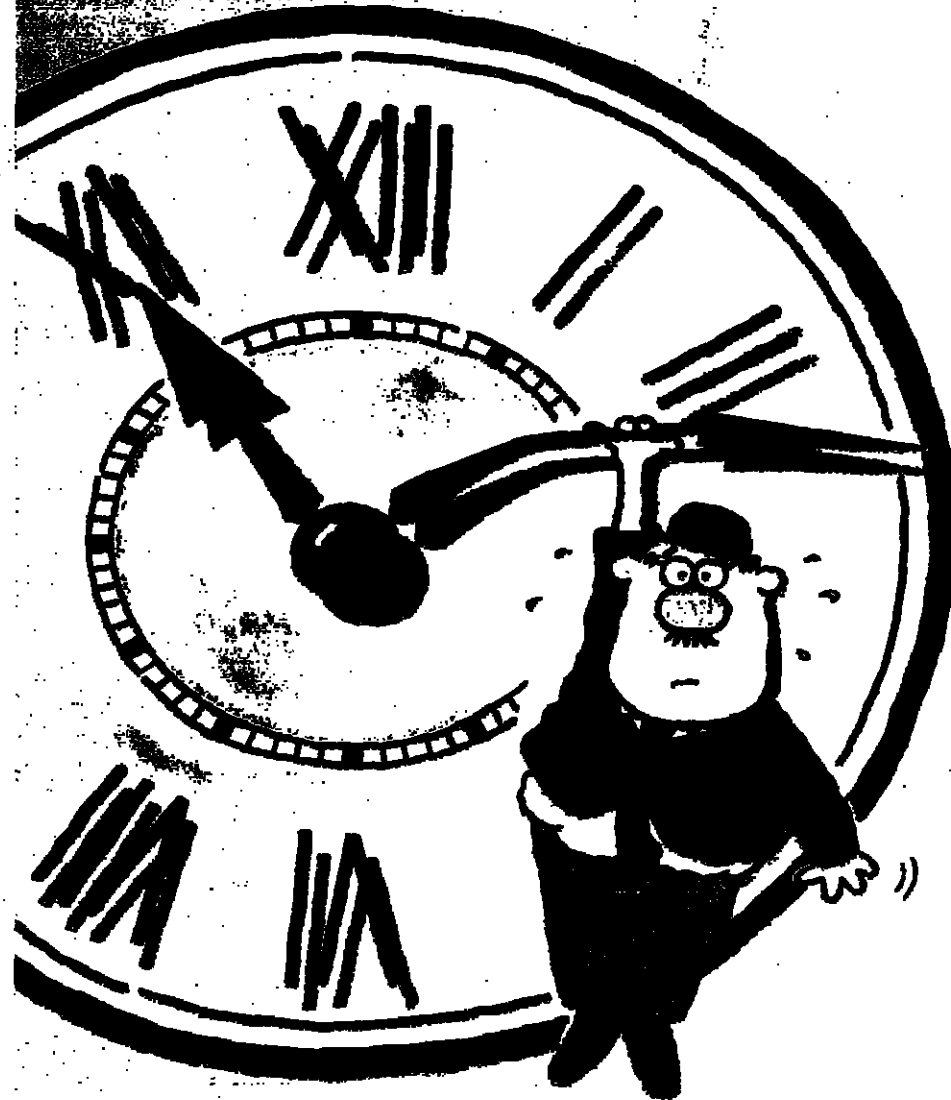
processing plant with faeces on the feathers and the skin. "At the processing plant, the birds are hung by their feet and then stunned. From this point on they are essentially brain dead, but other physiological responses continue. The birds often defecate. Hanging birds by their feet assures that when they defecate, the contamination remains on the skin and feathers."

The dead chickens are put in a scald tank known as 'fecal soup'. In the tank contamination builds up as the water is not hot enough to kill the bacteria. Next, the birds are "defeathered" by mechanical fingers which are not cleaned between each bird and can actually collect contamination from the dirtiest bird and redistribute it onto each new carcass.

Removal of internal organs is also done by machines which cannot prevent intestinal contents spilling all over the cavity of the bird. This also causes cross-contamination. "Finally birds are chilled in large vats of water called immersion chillers, a common bath where the birds bump against each other. Salmonella and Campylobacter get redistributed from one carcass onto others in the tank."

A number of leading supermarkets - including Tesco, Sainsbury's, Kwik Save, and Morrison - contacted last night, said they did not use American chicken imports. However, it is believed that the majority of the chicken imported into the UK could be used in processed meat products, such as pies.

Your first Self Assessment tax return will be
ARRIVING ANY MINUTE



If you usually receive a tax return, look out for your new style Self Assessment form. When you have everything you need, fill it in and return it to us as soon as possible. If you need help during office hours, contact your tax office - the telephone number is at the top of your tax return. Or in the evenings and at weekends, call the Self Assessment Helpline on 0645 000 444 (calls are charged at local rates).

Revenue
Self Assessment - a clearer tax system

news

Blood sports union takes aim at job cutbacks

Simon Reeve

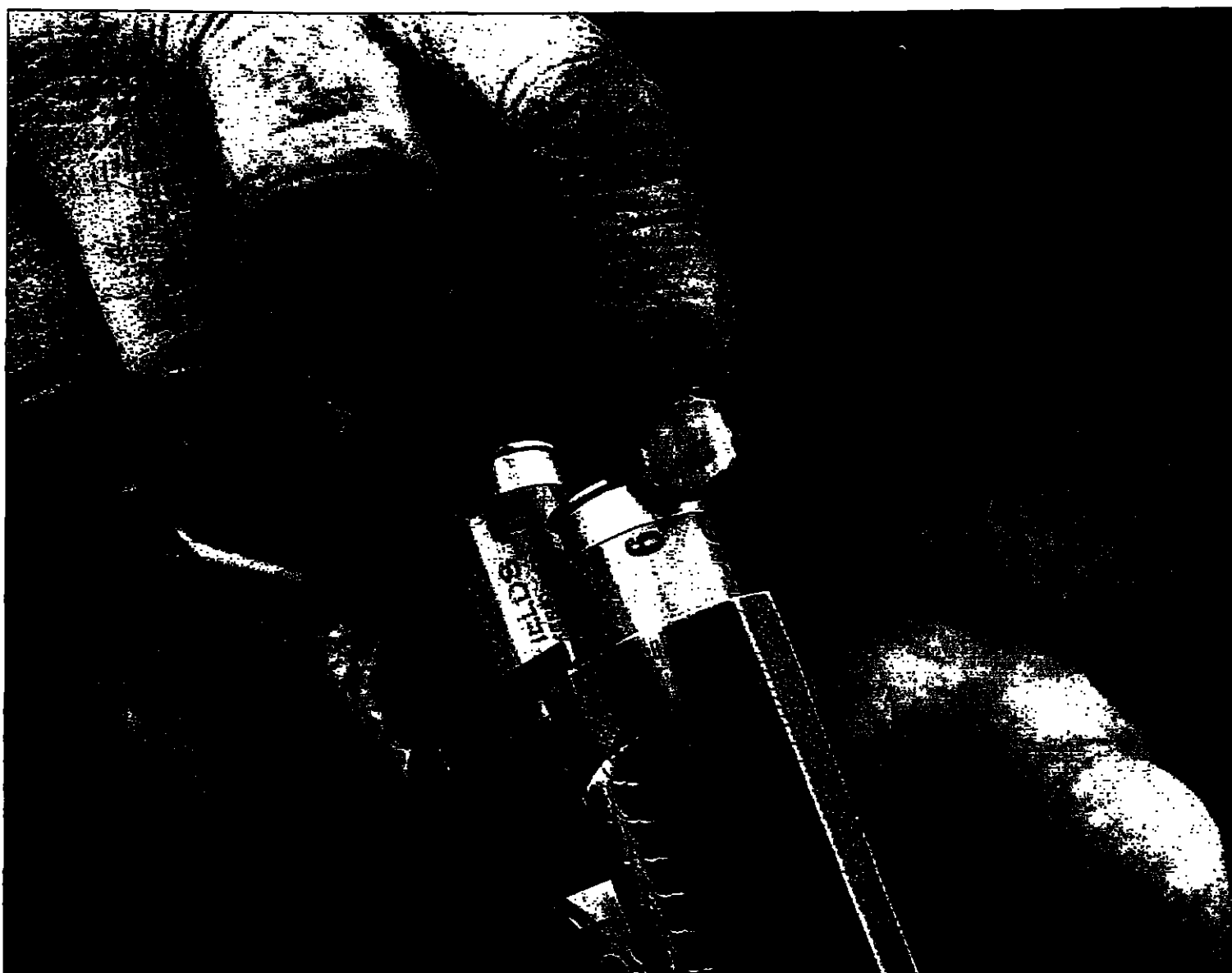
Blood sports enthusiasts and country sports workers launched a new union yesterday to protect their industry from hostile legislation and the loss of up to 160,000 jobs. The Union of Country Sports Workers wants direct talks with the main party leaders amid claims that some rural areas could be affected by a ban on hunting in a similar way to the devastation felt by mining communities after the collapse of the coal industry.

At a meeting in Whitehall, central London, yesterday – picketed by a lone protester from the League Against Cruel Sports – John Fretwell, the chairman of the new union and huntsman of the Stowe Beagles, warned that any political party which bans country sports "will be scarred in rural areas for ever".

Labour has pledged a free vote in the Commons on whether to ban hunting, but Mr Fretwell claimed that such legislation would have a serious impact on other country pursuits and affect independent hotels and the rural retail industry.

According to the union, 90,000 low-paid full-time jobs are at risk, but the figure rises by another 70,000 if part-time workers are included.

Alan Loughlin, a gamekeeper and forester from Buckinghamshire, said he would be at risk from any hunting ban. "I might get another job, but when you look at the unemployment figures I doubt whether all of us could."



Loaded issue: Country sports workers fear that a hunting ban could lead to massive job losses in their industry. Photograph: Rob Stratton

Alarm at proposals to curb TV exposés

Paul McCann
Media Correspondent

Television journalists are under threat from a draconian privacy code that will jeopardise the future of investigative journalism on television, it was claimed yesterday.

The Broadcasting Standards Commission – which came into being on 1 April out of a merger of the Broadcasting Complaints Commission and the Broadcasting Standards Council – is charged by law with creating a code of practice that covers privacy issues such as secret filming.

The BSC has circulated a draft code of practice to broadcasters that has alarmed the producers of programmes such as those that feature in the Channel 4 *Dispatches* series.

The proposed code asks that there is always an "over-whelming public interest" before deception or secret filming is allowed. It also states that those interviewed by journalists should have the right to withdraw their interviews after giving them, and that if a story moves on they should be informed and allowed to change their statements.

"If you started trying to apply this code to print journalists, half the stories in newspapers would be against the code," said Bernard Clark, executive producer of Channel 4's *Dispatches*, which made the *Dispatches* programme about Sotheby's alleged art smuggling. "The code would make proper decent investigative journalism extremely difficult," he added.

Channel 4 is also known to be concerned about the code and is making a private submission to the BSC about its worries. Central Television, maker of *The Cook Report*, has responded to the code in a joint submission with ITN.

Journalists are also concerned that the wording of the code will give companies and individuals under investigation a string of legal technicalities that could be used to prevent the broadcast of investigative documentaries.

"The whole code is a lawyer's

charter," said Mr Clark. "It's woolly and indistinct."

The 1996 Broadcasting Act, which created the BSC, dictates that the Independent Television Commission would "reflect" the new code – due to be published later this year – in its own regulations.

Under current BBC regulations, broadcasters have to prove to their director of programming that they have "proof of wrongdoing" before they can secretly film.

Stephen Whittle, director of the BSC, said that the new code seen by *The Independent* was an early draft. "The point of sending out a consultation document is precisely in order



Clark: "Woolly and indistinct code is a lawyer's charter"

to test the water and get some measure of the debate. The code will be a challenge. Broadcasters are having a harder test applied to them than press journalists." The idea was to try to reconcile public distrust of journalists with the need to protect a free flow of information.

Dispatches has been the target of press condemnation for secret filming after it was revealed last month that William Buttiner, an executive with security firm Compass Safety International, killed himself after being secretly filmed for an exposé of the sale of weapons for torture. The programme was also accused of entrapment by Sotheby's after it filmed an employee encouraging an undercover reporter to smuggle a work of art out of Italy.

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All you need to know about the drought...

Nicholas Schoon

What? Drought again? Surely we're one of the wettest countries in the world.

Not so. Some west-facing mountain slopes in Cumbria, are pretty damp, with more than *quarter of an inch a day*. But that's four times as much as the south east and East Anglia. New York, Rome, Lisbon and Paris, all get more rain in the average year than London.

Yes, but aren't there plenty of developed countries less rained on than ours which get by without water shortage after water shortage?

There are. But our water supplies are set up to handle average rainfall and the occasional dry spell. These have become more common, the last 24 months being the driest in England and Wales since records began.

Is this man-made climate change at work?

No scientist who values her or his reputation would say so, but more and more privately think it might be. Scientists cannot yet predict how the build-up of heat-trapping gases in the atmosphere will change the climate of whole continents, let alone that of small countries like the UK.

Are all the hosepipe bans and other restrictions and shortages we've had since 1989 due to drought alone?

No. Overall demand for tap-water in England and Wales

has risen by 30 per cent over 20 years. As people have become more affluent they want more water, for their gardens, dishwashers, car washing etc.

Why not build more reservoirs, or bring the water over from the wetter parts of the country using canals and rivers and big pipelines?

It may come to that, but it will cost millions and put bills up. The water companies want to build new reservoirs but are also laying emphasis on restraining their customers' rising demand.

Couldn't it all be solved if the water company fat cats were made to end all the leakage from their mains?

No. Thames and Welsh Water lose 28 per cent, and Yorkshire and North West lose 26 per cent, according to the industry regulator Ofwat. Southern and Anglian lose only 13 per cent. Companies are being made to reduce wastage but it would be very expensive to build a system with no leaks.

Well, you seem to have plenty of answers. What's the solution?

There are no simple solutions. There is an excellent case for richer homes with gardens and outside taps to install water meters. Householders and businesses need more advice to reduce their leaks. Government should give more leadership. Every garden should have a water butt. And mow your lawn less short – it retains water better.

تمت من الأصل

Suppose there is someone out there

Vital ingredients of life are discovered on Jupiter's moon

...but don't lay yourself open to aliens, warns Hawking

Charles Arthur
Science Editor

Molecules containing carbon and nitrogen, vital for creating life, may have been spotted on the surface of two of Jupiter's moons - increasing the chances that some form of life has evolved elsewhere in our solar system.

The *Galileo* spacecraft, which is investigating the giant planet and its moons, seems to have detected the presence of complex molecules containing the essential elements on both Ganymede and Callisto, the two largest moons of Jupiter.

Astronomers already suspect that there may be life in warm water lying beneath the frozen surface of Europa, the smallest of Jupiter's four principal moons, based on observations

of the surface. Four previously undiscovered substances turned up in infra-red spectrometry analysis of light from Ganymede and Callisto, scientists said at a meeting in Houston, Texas, of the Lunar and Planetary Institute conference last month.

Three were no surprise, comprising water-bearing minerals, sulphur dioxide and ice. But the scientists were excited by the discovery of organic cyanides, comprising carbon and nitrogen linked by a triple bond.

These are unusual molecules to find in inorganic reactions, Thomas McCord, of the University of Hawaii, told *New Scientist* magazine. "We're saying that CN is the best candidate. That doesn't mean that there aren't others."

Molecules containing carbon and nitrogen have also been detected in the core of the Hale-Bopp comet, which has sparked further interest in the idea that comets provide an early precursor for life to develop by providing an environment in which such molecules can form.

Ganymede is unusual in that it has its own powerful magnetic field - suggesting that it has its own iron core, rather like the Earth. This could also generate enough heat to start life near the centre of the moon, despite being so remote that it gets only a tiny fraction of the sunlight that the Earth does.

Galileo, launched in 1989, reached Jupiter in 1995. In December that year an atmospheric probe detached from the spacecraft plunged into the giant planet's gas clouds, transmitting back vital data before being crushed out of existence.

“CN is the best candidate. That doesn't mean that there aren't others.”

by *Galileo* of patterns of meteor impacts on its surface and calculations about tidal heating of the moon's core. It is thought to have a crust of ice five miles thick, and an ocean of liquid water 60 miles deep, warmed by the hot inner core. Some experts think Europa's hidden ocean could be teeming with life.

However, the new observations are the first to suggest that life may exist, or previously have done, on both Ganymede and Callisto. The new evidence comes from analysis of the light reflected from the moons. When light hits a molecule, it excites the molecular bonds, which “bounce” like a spring at their own characteristic frequency.

The frequency depends on the atoms in the molecule and the number of bonds. They then re-emit that energy as light at that frequency. When this is analysed it indicates what mol-



Alien nation: The arrival of intelligent alien life on the Earth could spell bad news for humanity, according to Professor Stephen Hawking. The possible outcome has been likened to a scenario in the film *Mars Attacks*, where the aliens shoot world leaders who have gathered for peace talks

Professor Stephen Hawking and other scientists have a new warning: space probes and radios may be hazardous to our health.

The reason is that if extraterrestrial life exists, and uses those probes or radio signals to detect and pinpoint us, and then travels to visit us, that species will probably be more advanced and more desperate - and hence more aggressive - than we are.

Earlier this week scientists at the American space agency, Nasa, finally lost touch after 25 years with *Pioneer 10* - now the most remote spacecraft in the universe, still moving away from us and now 67 times further from the Sun than the Earth. It carries a plaque intended to show aliens where it originated, and what sort of species built it.

But a new CD-Rom featuring Professor Hawking, famous for his theories on black holes, warns that the arrival of intelligent alien life would be bad news for humanity.

He believes it would be an experience comparable with the American Indians' encounter with Christopher Columbus. "I don't think they were better off for it," he said. Instead, many were wiped out by new diseases and wars over territory.

Malcolm Young, professor of psychology at the University of Newcastle, agrees wholeheartedly. "It is very, very expensive to do any sort of crewed interstellar travel," he said. "If anybody, or anything, ever does show up in the solar system then it must be because they really wanted to get here. Goodwill seems an unlikely motivation. "But if your home star's ex-

ploding or your planet's dying, then it would be worthwhile. But in that case, you're not going to be interested in sharing. It will be like the film *Mars Attacks* - all the world leaders want to negotiate peace, but the aliens just shoot them."

He points out that dead probes such as *Pioneer 10* are unlikely to be found, let alone to indicate our origins. "They're just interstellar junk."

But old radio broadcasts will now have reached any star within 70 light years - which includes hundreds of thousands of star systems. "It only needs one of them to be able to crack the code for its origin," he said.

Professor Hawking prefers to think that aliens have accidentally missed Earth, but is not looking forward to any time when they correct that oversight.

“It's expensive to do any sort of crewed interstellar travel”

"It could be very nasty," he said. *Pioneer 10* is one of four deep space probes now heading out from Earth. It carries a plaque which shows the star it came from, relative to 14 highly energetic stellar radio sources called pulsars, and to the centre of the galaxy. A sufficiently intelligent race could trace its source. Other probes, such as *Voyager 1* and 2, and *Pioneer 11*, are also headed slowly, and in contrasting directions, towards other stars - though they will take at least 30,000 years to arrive. Over the next million years they will pass stars in our close neighbourhood, light years distant. But we will lose touch with them over the next 30 years.

Pioneer 10 and 11 were launched in March 1973 and April 1973 respectively, and are now far outside the solar system, 46 and 67 times further than the Earth from the Sun.

UFOs? There's no need to worry, says Pentagon

The US Pentagon has finally put its own version of the truth out there: unidentified flying objects (UFOs) are not alien spacecraft, it is not hoarding any wrecked spacecraft, and overall it does not think that there are any aliens hiding in the dark skies, writes Charles Arthur.

The announcement yesterday by a Pentagon spokesman of the "Blue

Book" project findings, which looked at 12,618 sightings of UFOs between 1949 and 1969, drew scorn from UFO-watchers though, who insisted that it ignores the small but significant number of sightings which cannot be explained by any natural or manufactured phenomena.

But the Pentagon was insistent yesterday, after restating the find-

ings of the "Blue Book" report. "There are no aliens out there that we are aware of," said a spokesman. He was answering questions about the 39 Americans in the "Heaven's Gate" cult who last week committed suicide, saying they were "going to join the spaceship following the [Hale-Bopp] comet". A number of Americans are convinced that an

alien spacecraft is trailing the comet - an effect that astronomers say is caused by the apparent movement of a planet which is positioned near the comet's position in the sky when viewed from some parts of Earth. However, Graham Birdsall, editor of *UFO* magazine, said yesterday: "22.4 per cent of the Blue Book observations were classed as

"unknowns". Since then there have been thousands of UFO observations by sober, professional people. "I accept that 95 per cent can be explained by normal phenomena. But the US Air Force and the Ministry of Defence are still very interested in this, and I have yet to see anything which can explain the other 5 per cent of observations."

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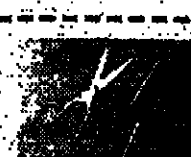
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news

Homes boom promises end to negative equity

Nic Cicutti
Personal Finance Editor

Fresh confirmation of the meteoric rise in property prices came yesterday as the Halifax Building Society released figures showing the average value of homes rose by 1 per cent in March.

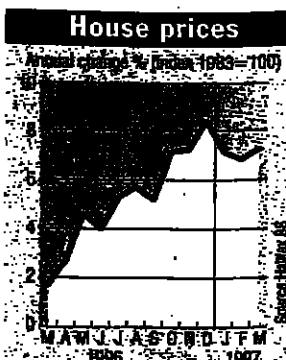
The increase brings the total rise in prices over the past 12 months to 7.2 per cent, up from just 1.7 per cent in March last year.

However, the Halifax yesterday moved to dampen suggestions of an Eighties-style boom by pointing out that prices are still 4.2 per cent below their peak in May 1989.

"Though we again confirm that the market is continuing to recover, this is still at only a moderate pace, with no indication of the boom conditions of the late Eighties," a Halifax spokesman said.

The society added that the most recent transaction figures for the number of homes bought in England and Wales showed a decline of 4.1 per cent in February, compared with the previous month.

Halifax's figure, up from 0.6 per cent in February, comes days after a separate survey by



its rival, Nationwide, whose own index showed prices in March rose by 1.6 per cent. The difference in both sets of figures is attributable to differences in the way statistics are collated and analysed. Over longer periods, both societies show similar results.

Nationwide's own survey also showed that the increase in prices is concentrated in London and the south-east England, which is now showing double-digit increases over the past 12 months, more in some areas.

The Halifax said the driving factor forcing house prices upwards is the shortage of properties coming on the market, as sellers hang on to the last

minute before contacting an estate agent. Potential buyers are forced to compete for the few attractive homes that are put up for sale.

The rises look set to bring to a rapid end one phenomenon of the housing market collapse - negative equity, where the cost of a mortgage is greater than the value of a home.

A survey by Woolwich Building Society in January showed that the number of people with negative equity dropped by 650,000, to 405,000 at the end of 1996. Experts believe that if prices continue to rise as at present, the remaining number could be all but wiped out.

However, signs of some cooling in the market came yesterday from Legal & General, whose separate survey of moving intentions, showed the number of people who said they were likely to change homes in the past six months has fallen, from 26 per cent to 17 per cent.

Neville Walton, L&G's director of financial services, said: "Activity is constrained by the threat of increases in interest rates, by uncertainties caused by the general election and the public viewing houses less as an investment... and more simply as a home to live in."

Once upon a time, children used to read a good book...



Now read on: The children's writer Liz Wier reads to youngsters at the Royal Victoria Hospital for Sick Children in west Belfast to mark International Children's Book Day. The aim is to encourage more widespread reading by young people. Photograph: Pacemaker

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There's a great deal going on

Ailing Concorde will have to keep flying for another 20 years

Randeep Ramesh
Transport Correspondent

Concorde, the world's only supersonic passenger jet, is likely to remain in service for another 20 years, despite a number of high profile incidents in the last few months.

Only this week, two transatlantic flights on one day had to be halted after the planes dumped fuel and returned to Kennedy International Airport in New York when warning lights flashed inside the cockpit.

And in February, three incidents involving British Airways Concorde's twenty-year-old engines left passengers grumbling.

The supersonic jet, only 20 of which were built, has had worse scrapes. Since 1989, three BA Concorde have lost large sections of their rudders in mid-flight - which cost £5m to replace. However, no plane has ever crashed and the structures remain in almost perfect condition.

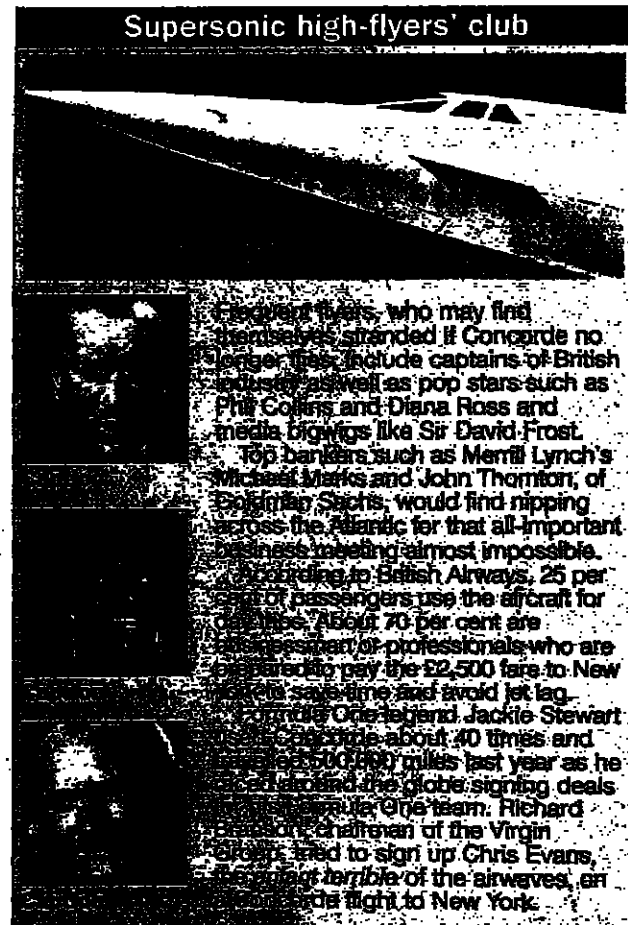
None of the problems encountered has been serious enough to warrant an investigation by the airworthiness authorities. However, they do mar the image of the aircraft - which encourages the rich, the famous and those simply in a big hurry to cough up £2,500 for the three hour flight across the Atlantic.

As the aircraft grow older, the cost of keeping them in service also rises. Every plane has to undergo 22 hours of maintenance for every one hour of flight, more than three times that required for a Boeing 747. All of BA's Concorde are overhauled twice a year and they recently had their interiors refurbished. Despite the latest problems, the Civil Aviation Authority, has just extended the "life" of each Concorde by more than 20 per cent.

Even with the extra cash needed, the planes are still profitable. British Airways, which has seven Concorde in its fleet, has consistently made money - which should irritate taxpayers in France and Britain who footed the £1.2bn bill. Air France has seven Concorde but only uses five normally.

The problem for other carriers is that the jet has no obvious successor. British Aerospace, which built Concorde with French giant Aerospatiale, produced plans for a 200-seater jet four years ago, but the project petered out after the Government refused to dole out a subsidy to the company.

For the super-rich, Sukhoi, a Russian manufacturer, had plans to develop a 10-seater corporate plane which could match Concorde's cruising speed of twice the speed of sound. The proposals never took off because the



plane-makers could not find enough buyers. Although Concorde put Europe ahead in commercial supersonic flights, the Americans are anxious to regain their supremacy in the skies. While Europe has only one Concorde, the US has agreed to a £1.2bn, 10-year programme. The US authorities are using an old Russian "Concordski" - the Tupolev Tu-144 - as a test plane. "People are always asking about the future of supersonic transport," says Captain Mike Bannister, BA's flight manager for Concorde. "With no real signs of a successor, it looks like it will be Concorde."

Women riders win fight

Douglas Fraser

The ladies of Hawick will be allowed to join the Scottish border town's annual Common Riding Festival next month, after both sides in this celebrated sex war agreed to compromise.

The tradition - which goes back to medieval times, and appears to many observers to have been stuck there - is changing to allow women to take part in two of the currently all-male equestrian rideouts. As there are 16 in total, the agreement falls short of the Hawick Lady Riders' ambitions, but they have pinned hopes of further change on a new promise of further talks

starting after this year's events.

The two mixed-sex events will be unofficial, preparatory rides. Women will still be barred from participation in the week-long official events in early June. They relented in their determination to take part in the rideout on 6 June, the main one in which townsmen follow their Cornet - the local lad who presides over the ceremonies - both to mark out ancient boundaries and to commemorate victory over English soldiers in 1514.

The compromise follows a year of acrimony among the 16,000 people of Hawick, which came close to the first ever cancellation of its main festival. When two women, Ashley

Simpson and Mandy Graham, asked up to take part last summer, they faced abuse, taunts and threats, one of which resulted in a court conviction. A senior Borders official yesterday warned of the continuing possibility of traditionalists trying to disrupt mixed-sex rideouts this year, or even the nobbling of horses.

The women began a civil court action last month, backed by the Equal Opportunities Commission, in which a decision is awaited from a sheriff on whether the 1975 Sex Discrimination Act applies to the Common Riding. It was unclear yesterday if the action will be continued.

THE INDEPENDENT election '97

Clarke pulls out tax pledge plum



Pause for thought: Ministers listening to the launch of the Conservative Party manifesto yesterday. Promises of tax breaks emphasised the party's commitment to the family

Photograph: Tom Pileton

Colin Brown
Chief Political Correspondent

Chancellor's trade-off over family income secures 'One Nation' theme

Kenneth Clarke was responsible for one of the key trade-offs which gave the Conservative manifesto its strong "One Nation" flavour, *The Independent* has learned.

The Chancellor agreed to the tax breaks for married couples with children, which formed one of the "plums" in the manifesto, in return for downgrading the commitments to abolish inheritance tax and capital gains tax.

Mr Clarke had earlier refused to accept the tax break plan for

families when it was pushed in the Cabinet by John Redwood, who was keen on strengthening the commitment to the family.

The Chancellor's late conversion to the scheme, with the support of William Waldegrave, the Chief Secretary to the Treasury, came in the negotiations before the political Cabinet at Chequers, which agreed the broad outline for the manifesto, including the privatisation of London Underground.

Mr Clarke was resisting the

pressure from John Major to abolish the two wealth taxes, which the Prime Minister had promised soon after winning the leadership contest against Mr Redwood.

At that time, the pledge to continue the tax cutting agenda for some of the better off in society was seen as a pay off by Mr Major to the Tory right-wing for supporting him against Mr Redwood's challenge.

Mr Clarke, however, was not convinced, and succeeded in se-

curing a deal in which the commitment to abolish the wealth taxes was watered down in return for finding the £1.2bn to fund the tax breaks for families.

"It was agreed with the Chancellor we would downgrade the capital gains tax and the inheritance tax commitments so that would leave room for the tax breaks," said a Whitehall source.

"The co-operation of the Chancellor was also needed to produce the pension plus

scheme. He has kept very close to the game."

The fact that Mr Clarke's stamp is on the manifesto may alarm some of his right-wing critics who called for his sacking before the campaigning began in earnest over his refusal to allow a more Euro-sceptic approach to the European single currency.

In spite of the Prime Minister's commitment to help the "have nots" with the manifesto, it carried enough initia-

tives to promote self-help and traditional family values to earn a welcome from leading right wing figures in the Tory party.

Both the proposals by Gillian Shephard, the Secretary of State for Education, to publish all test results, and the tax breaks for married couples were welcomed by Mr Redwood, who was touring Tory constituencies in the Home Counties. "I am glad to see the Government setting out some

of the long term plans to curb welfare dependency, promote independence and to help those who care for others. This is exactly what the Conservative Party should be doing - promoting forward-thinking ideas," Mr Redwood said.

However, Mr Clarke is emerging as one of the pivotal players in the delivery of the manifesto for a fifth Conservative term. The Prime Minister's confirmation that the tax breaks for families would take prece-

dence over the aim of achieving a basic tax rate of 20p was further confirmation that the Tory party is going into the election with One Nation policies dominating its agenda.

It may raise Mr Clarke's stock now, but he could risk shouldering much of the blame if the Tories lose the election. The policy compromise on Europe - thrashed out some weeks ago with Malcolm Rifkind, the Foreign Secretary - is being ignored by dozens of Tory candidates who will be fighting on a commitment to reject a single currency.

Tumim may stand in Tatton

Jojo Moyes

Judge Stephen Tumim, the retired HM Inspector of Prisons, has been approached by the Liberal Democrats to stand against Tory MP Neil Hamilton as a joint-party "Anti-Sleaze" candidate in the Cheshire constituency of Tatton.

Judge Tumim, who is currently out of the country, was said by Liberal Democrat sources to have spoken to a senior party figure about the plan for both Labour and Liberal Democrat candidates to stand aside - should Mr Hamilton continue to contest the seat.

It is also understood that former Beirut hostage Terry Waite, has ruled himself out of standing against Mr Hamilton, who has been the focus of persistent sleaze allegations.

The local Labour Party, whose candidate for Tatton, Jon Kelly, offered to stand down to make way for an independent challenger last Saturday, said it was "happy in principle" with some of the names suggested, but stressed that initial discussions were not being made at local level.

The apparent coalition between the parties appears to indicate a renewed attempt to force Mr Hamilton to stand down, despite the support of his local Tatton Conservative Association. There were also suggestions yesterday that the North West Regional Conservatives were applying pressure to Mr Hamilton, although a spokesman denied this.

Mr Hamilton, speaking exclusively to his constituency's local paper, *The Knutsford Guardian* yesterday, said he would not resign, despite the intense pressure placed upon him.

"Errors of judgment and misinterpretation of rules are not synonymous with dishonesty. MPs are no better, nor worse, than the population at large. Every barrel has its rotten apples. I am not one of them," Mr Hamilton said.

"I have no intention of surrendering to a squalid witch-hunt by newspapers," he added. But the former trade minister said it would be a miracle if public confidence in him had not been affected by "dishonest" media coverage.



Tony Blair preparing his manifesto yesterday

Photograph: Peter Macdiarmid

Blair writes out his 10-point plan

Christian Wolmar
Westminster Correspondent

This morning, Tony Blair will unveil Labour's manifesto, setting out a personally-written 10-point "contract with the British people", which will form the basis of a programme for a Labour government.

Mr Blair will concede that several Tory policies were correct, such as tighter regulation of the trade unions and the encouragement of free enterprise. But he will criticise the Conservatives for having failed to address social problems, for their "boom and bust" style of economics and for their bureaucratic policies on the NHS.

The manifesto is being trailed as a cautious document, based around the five pledges which were included in the draft manifesto approved by the party membership last year.

Labour sources say it will be a "programme for government", will not be subject to last-minute changes on the *Today* programme and is "uncompromisingly new Labour".

At 16,000 words, the Labour manifesto is marginally shorter than the Conservative one published yesterday.

The Labour Party issued photocopies of Mr Blair's 10-point contract. They showed that the Labour leader appeared to have some difficulty with the number of "ps" in "developing" in the eighth pledge, covering the environment, which he crossed out and settled for "development".

The manifesto will address the fact that many people are bored with politics, saying it is a result of the Conservatives' broken promises.

The manifesto starts off with a statement from Mr Blair in which he borrows the old "One Nation" slogan from the Conservatives. He says: "I believe in Britain. It is a great country, with a great history, and the British people are a great people. I believe Britain can and must be better. I want Britain to be one nation with shared values and purpose, where merit comes before privilege, run for the many, not the few."

Mr Blair sets out that his purpose is to create a Britain in which there will be better hospitals and schools, "better ways of fighting crime" and in which we will be "equipping ourselves for a new world economy". He says: "I want a country in which people get on, do well and make a success of their lives."

The five pledges covered low inflation and taxation; reduced class sizes through the abolition of the assisted places scheme; 250,000 young people off the dole paid for by the windfall tax on utility companies; reducing waiting lists through cutting NHS bureaucracy; and more rapid punishment for young offenders.

To these, Mr Blair has added some rather unspecific commitments to safeguard the environment and develop an integrated transport system, to "clean up and decentralise politics", provide leadership in Europe, and ensure government "helps build strong families and strong communities". Education, he stresses, is to be "the No 1 priority".

THE HURRIED VOTER'S GUIDE

THE CAMPAIGN

It was the Conservatives' big day, with all eyes focused on the party's manifesto launch. The Prime Minister told voters that Britain was booming and that the nation could look forward to a decade of prosperity.

Key pledges in the manifesto included tax breaks for married couples in which one partner stays at home; cuts in public spending and tax; and a tough stance on Europe.

The Conservatives promised a guarantee of school standards for parents; the expansion of specialist schools; and education vouchers for 14-21 year-olds.

They also guaranteed that funding would increase in real terms every year for the next five years, and on housing, the Conservatives pledged that half the remaining public housing stock would be sold off to housing associations or other private landlords.

Labour used its morning press conference to condemn the Conservatives' performance since 1992.

The Liberal Democrats, meanwhile, launched their policies on health. They promised £550m extra for the NHS from a new tobacco tax and National Insurance changes; a pay review body for doctors and nurses; and more family-friendly employment policies in the public services.

KEY ARGUMENTS

The Conservatives' promise of extra tax allowances to promote the family was the top debating point of the day.

John Major said that the plans would give proper recognition to the role played by many parents and carers in meeting their family responsibilities.

However, Paddy Ashdown attacked the plan, claiming that the Conservatives would not be able to find the money to carry it out.

The scheme has been praised by some commentators at £2.4 bn, but its authors estimate it will only cost £1.2 bn. Mr Ashdown branded the document "a manifesto for the few, not the many". Meanwhile, the shadow Chancellor, Gordon Brown, said a promise to help families was not credible from a Government which had nearly halved the married couple's allowance in five years.

At Labour's press conference, he and Labour's trade and industry secretary, Margaret Beckett, highlighted 92 promises which they claimed the Conservatives had broken since 1992.

Mr Brown accused the Government of presenting uncosted pledges on tax cuts "without the faintest idea of how to pay for them".

However, a confident Mr Major made it plain that his aim was not just to move into "the next phase of Conservative prosperity".

GOOD DAY



Swampy, the "eco-warrior" who fooled journalists earlier this week by saying he was standing in the general election as an April Fool, was today praised by Paddy Ashdown for his persuasiveness. The Liberal Democrat leader, who was holding a press conference near to Manchester airport where Swampy is campaigning against a second runway, said: "I admire [protesters'] determination to stick to their principles."

BAD DAY



Dafydd Wigley, leader of Plaid Cymru, saw the launch of his party's manifesto postponed by a full week, although the party was not expecting the delay to dent their poll showing. Labour too had delayed their launch, for just a day, saying they did not wish to be seen to clash with the Conservatives. "I wish we could be that daisies," commented a party member, before attributing PC's lateness to straightforward logistical difficulties.

HOGWASH

"We, the Conservatives, respect people's choice and within the family, if that family chooses to have one person staying at home to look after the children and the other going out to work to maintain the family, the tax system should acknowledge that." Chancellor Kenneth Clarke, explaining why the Tories now promise tax relief for married couples, having phased it out and insisted women's tax affairs should be separate from their husbands' a few years ago.

THE OTHER PARTIES

The Scottish National Party launched their election campaign, encouraged by an opinion poll which showed they had more than twice the level of local support than the Conservatives. "We are better organised, better financed, and more solidly based than ever before,"

Alex Salmond, the SNP leader told a news conference. Meanwhile, Alan Sked, leader of the UK Independence Party, said his party had a unique problem: "We are very pure, but I don't want people to think that because we are sleaze-free, we have no knowledge of sex."

MEDIA STAR



ONE TO REMEMBER

Michael Howard, the Home Secretary visited a newly opened cycle route in his constituency at Folkestone, Kent, and assembled photographers asked him to line up with a group of local children for a photo-call. The children were predictably asked to say "Cheese". Onlookers, including representatives of a local press agency, were later unanimous in their assertion that the children responded by chorusing "Sleeze."

Tory blueprint for 2000 and beyond

Tax breaks for families were the centre-piece of the Conservative 1997 election manifesto, but the programme for a fifth Tory term showed a shift away from tax cuts for the better-off.

John Major said the improved tax allowances for married couples costing £1.2bn would take priority over reducing the standard rate of income tax to 20p in the pound, and past Tory pledges to abolish inheritance tax and capital gains tax were watered down.

"Our aim is to spread opportunity for all to succeed, whoever they are and wherever they come from, provided they are prepared to work hard. To turn the 'have nots' into the 'haves'. To support the family in providing security and stability," Mr Major wrote in the foreword to the manifesto.

The Economy

The manifesto says the Conservatives are the only party that can cut taxes because they are the only party which is serious about controlling public spending.

They make five key commitments: "Over the next Parliament, we will achieve our goal for the Government to spend less than 40 per cent of our national income."

"Our aim is to ensure Britain keeps the lowest tax burden of any major European economy."

"Over the next Parliament, our aim will be to achieve our target of a 20p basic rate of income tax, while maintaining a maximum tax rate of no more than 40p."

"During the next Parliament, we will maintain an inflation target of 2.5 per cent or less."

"We will continue to reduce the burden of capital gains tax and inheritance tax as it is prudent to do so."

The Prime Minister had told the Tory Central Council in Harrogate on 30 March last year that inheritance tax was to go: "I want to cut, and when possible, abolish inheritance tax. Labour wince when I say that." But there was no mention of this in the manifesto.

The Family

The manifesto gives a commitment to give priority to "future reductions in personal taxation that help families looking after dependent children or relatives by allowing one partner's unused personal allowance to be transferred to a working spouse where they have these responsibilities."

Mr Major said it would "probably" be achieved in the second year of a Tory government.

Who will benefit?—around 2 million one-taxpayer couples with dependent children, or dependant elderly relatives and others needing care, would gain up to £17.50 a week—around £900 a year. The manifesto does not make it clear, but couples have to be married to qualify.

How would it work? At the moment, if one spouse does not take paid work in order to look after children or dependent relatives, they not only give up earnings but may also be unable to benefit from their personal tax allowances. In future, a housewife or husband looking after a child qualifying for child benefit or caring for an infirm relative, would be able to put their personal tax allowance against the tax of the family.

The Elderly

In the first session of the next Parliament, the Conservatives would implement the partnership scheme for long term care for the elderly, making it easier for people to pay using private insurance schemes without giving up their lifetime savings.

Children

The Children Act would be monitored and changed if necessary to ensure it maintained a proper balance between the rights of children and responsibilities of adults. Legislation would remove unnecessary barriers to adoption. New guidance would be issued to ensure social workers "properly reflect the values of the community... Social workers working with children will receive special training to cope with the often heart-rending cases they face."

A new regulatory framework would apply the same standards in the private and the public childcare sectors.

Jobs and technology

Project Work, a scheme similar to the American "workfare" system, is to be expanded. The stated aim is to help 100,000 people who have been unemployed for more than two years to find work; those do not find jobs are required to work for a specific period on a community project. An innovative "Britain works" scheme will be developed using the private and voluntary sectors with the aim of getting people off welfare and into work.

The Millennium Lottery Fund will be used to pay for computer facilities and information links available in schools, libraries, museums, voluntary organisations and village halls after the turn of the century, when its current purpose ends.

Red tape and small businesses

"Sense" requirements would ensure that regulations died automatically unless renewed. The small companies' rate of corporation tax will be cut in line with personal taxation.

"In the next Parliament, we will reform business rates to reduce the cost that falls upon small businesses."



Setting the tone: John Major yesterday launching the manifesto which sets out the Conservative programme.

Two brains put their heads

Colin Brown
Chief Political Correspondent

A former minister, known around Westminster as "two brains", and a former adviser to David Owen were responsible for writing most of the Conservative Party manifesto for a fifth term of office.

David Williams, 41, one of the brightest MPs in the Commons, had the task of drawing together the policy initiatives across Whitehall and putting them together in a concise, readable form, with Danny Finkelstein, the head of the Tory research department.

They worked with Norman Blackwell, head of the Prime Minister's Number 10 policy unit, to produce a manifesto which could show that the Tories had not run out of ideas.

One of the keys to the success of the document was the close working relationship between the three "policy wonks". Mr Williams had worked with Mr Blackwell when he was in the Number 10 unit. Mr Blackwell had worked with Mr Finkelstein since his appointment to replace Andrew Lansley at Conservative Central Office in 1995. Mr Finkelstein and Mr Williams forged an alliance when Mr Finkelstein, a former SDP strategist, ran the Social Market Foundation.

One Nation values stage timbely comeback

Fran Abrams
Political Correspondent

The return of John Major's Conservative Party to the One Nation fold is signalled in yesterday's manifesto. In 1992, the Prime Minister chose to adopt the Thatcherite creed of slim government, low taxes and personal prosperity. In 1997, he has taken a more mellow tone.

Yesterday's offering uses the language of social responsibility and community values. While a commitment to the market economy runs strongly through it, the reader's mind is thrown back to an earlier brand of Conservatism.

A Competition Bill will be introduced in the first session of the next Parliament to give companies greater protection against price fixing, dumping, and other restrictive practices by larger competitors.

Pensions

The state pension will be protected against price rises, though it will not rise in line with average earnings. But the emphasis is on self provision through private pension schemes, including the conversion in the next century of state pensions.

Pensions Plus, a scheme announced by Peter Lilley, the Secretary of State for Social Security, will provide all young people entering the workforce with a personal pension fund paid for through a rebate on their national insurance contributions.

At retirement they would be entitled to the full pension earned by this accumulated investment. They will be guaranteed a pension at least equivalent to the state pension—plus inflation—possibly amount-



In demand: David Williams being interviewed after the manifesto launch.

Incidents said the last was more difficult in 1992, as a result of the strained relations between Mr Williams and Mr Blackwell. Mr Williams, 41, one of the brightest MPs in the Commons, had the task of drawing together the policy initiatives across Whitehall and putting them together in a concise, readable form, with Danny Finkelstein, the head of the Tory research department.

They worked with Norman Blackwell, head of the Prime Minister's Number 10 policy unit, to produce a manifesto which could show that the Tories had not run out of ideas.

An emphasis on security and stability in the economy and in support for families is linked to the suggestion that this is "the Conservative Party's return to the One Nation values of the 1950s and 1960s". "Our aim is to spread opportunity for all to succeed, whoever they are and wherever they come from, provided they are prepared to work hard. To turn the 'have nots' into the 'haves'. To support the family in providing security and stability."

Mr Williams, a Conservative MP, was yesterday's press conference, the first since the party's manifesto was launched.

ing to £175 a week, although no figure is given.

Social Security

Benefits will be targeted more at those in need. However, plans to tax or means-test child benefit have been dropped. The manifesto states that child benefit and family credit will be protected against inflation as part of a "family benefits guarantee". A new Benefit Fraud Inspectorate will police the councils who provide housing benefit. There will be more home visits to crack down on cheats.

Single Parents

The Parent Plus scheme, which helps lone parents to find work, could be extended from pilots if it is successful.

Europe and the single currency

The manifesto states: "In an uncertain, competitive world the nation state is a rock of security. We should

be in Europe, but not run by Europe. A British Conservative government will not allow Britain to be part of a federal European state."

No changes to the Treaty of Rome would be accepted which would further centralise decision-making, or remove Britain's right to permanent opt-outs. Britain would retain its veto and oppose the extension of qualified majority voting. The rights of national parliaments would be maintained, and any attempt to extend the concept of European citizenship would not be accepted.

On the single currency, the manifesto states: "We believe it is in our national interest to keep our options open to take a decision on a single currency when all the facts are before us. If a single currency is created, without suitable convergence, a British government will not be part of it."

Education

Under a new "Education Guarantee", there would be national targets for

school performance. Each school would have to draw up improvement plans based on these. Action would be taken against those schools which fail.

Test results at seven, 11 and 14 would be published and every child would be assessed at five. There would also be a new test for 14-year-olds.

Education authorities would be subject to independent inspections, and a new system of teacher appraisal would take pupil performance into account.

Local authorities would be required to delegate more of their budgets to schools, and those which have not opted out would be known as locally-maintained schools.

By 2000, one in five schools would specialise in technology, arts, languages or sport. All schools would be able to select some of their pupils, and where parents wanted it, there would be a grammar school in every town.

All students between the age of 14 and 21 would receive vouchers for training or for education up to A-Level standard.

Health and the NHS

Resources for the NHS would be increased year-on-year as the economy grows. More information would be published on how successfully hospitals treated patients, and family doctors would be able to offer a wider range of services. The number of nurses working in GP practices would continue to grow, as would the number of GPs and nurses allowed to prescribe a wide range of drugs.

No long-stay mental hospitals would be closed unless there were adequate care facilities in the community, and there would be an increase of investment for the whole health service as the Private Finance Initiative unleashed a new flow of investment.

Privatisation

Private capital and management skills would be introduced to the Royal Mail, but its identity and characteristics would be preserved. Parcelforce would be transferred to the private sector, but every Post Of-

fice would provide a full parcel service at an economical cost.

Plans would also be brought forward to privatise the London Underground. The proceeds from this would be recycled to modernise the network within five years, but fare increases would be pegged at the level of inflation for at least four years.

Competition would also be extended for domestic gas users and would be introduced into the water industry.

Strikes

Industrial action which has a disproportionate or excessive effect, for example by disrupting an essential service, would no longer have legal immunity. Employers and members of the public would be able to seek injunctions to prevent it. Strike action would have to be approved by a majority of union members eligible to vote and repeat ballots must be held if negotiations are extended.

Transport

The privatisation of British Rail would be completed, and any surplus after the Tube network has been modernised would be invested in transport in London and elsewhere. Regional airports would be encouraged to offer direct services to the rest of the world.

Law and Order

New measures to cut crime would include the installation of 10,000 CCTV cameras in town centres in the next three years, with the backing of £73m of public money. A voluntary identity card scheme would be based on a new photographic driving licence.

The courts would be able to impose Parental Control Orders on people who fail to keep their children under control, and would be able to order reparation to the victims of young criminals. Young offenders over 16 may be monitored through electronic curfews.

In rape cases and others where victims are particularly vulnerable, the judge would be able to stop a defendant from personally questioning them in the witness box.

A national crime squad would be set up and legal aid would be changed so that it functions within defined cash limits.

Housing

Tenants would be encouraged to transfer their homes to new landlords including housing associations, raising some £25bn of new private investment. Through this method, more than half the remaining public housing would be handed over and some of the worst housing estates would be improved.

Public landlords would be forced to sell houses empty without good reason for more than a year. More new homes would be built on reclaimed sites in towns.

The Rough Sleeper Initiative for the homeless would be extended, and hostel places would be provided so that no-one need sleep out on the streets.

Agriculture and animals

Reform of rabies controls would be considered in a green paper. Measures to stop quota-hopping would be negotiated, and Britain would press the European commission to set up regional committees for fishermen.

Sport and culture

Lottery money would be used to train young athletes and artists, and there will be revenue funding for bursaries, concessionary tickets to professional performances and support for young people's organisations.

Defence

There is no need for a defence review, which would "raise fear and uncertainty about the future." The services would continue to have the modern weapons they need, and resources would be targeted at recruitment.

An Army Foundation College would be set up for 1,300 16 and 17 year-olds who want to join.

The Constitution

There is no case for radical reform of the House of Commons, for a Bill of Rights or for changes in the voting system. However, Parliament would be given more time to consider legislation through a reform of the Queen's Speech to govern provisional plans for the following year.

The Union

The union between England, Scotland, Wales and Northern Ireland underpins the nation's stability and should not be disturbed. However, the Conservatives have gone further in recognising the diversity of the nations and have published separate manifestos for Wales and Scotland.

Northern Ireland

Locally-accountable democracy must be achieved in the Province, and negotiation will continue with all the democratic parties. However, any security measures which are required to protect people from violence will be taken. "We will never be swayed by terrorist violence nor will we ever compromise our principles with those who seek to overthrow the rule of law by force."

Manifesto analysis: The Tory Party pledge to cut taxes and raise spending does not add up

Conservative's tax bombshell may explode in Major's face

Diane Coyle
Economics Editor

The Conservative Party is fighting back against new Labour's manifesto by outflanking it on the small-business issue of the economy. Yesterday's manifesto is a kind of back-handed compliment to Gordon Brown for the credibility he has established as the would-be Iron Chancellor. Its message to the voters is that there really is a difference between the two main parties over how they would manage the economy.

The document paints a contrast between a free-market, small-government, entrepreneurial Tory Britain, and an over-regulated Labour Britain operating under the yoke of the Social Chapter and minimum wage. It promises tax cuts, getting the Government off the backs of the people.

But the Tories have to answer the same question they traditionally put to Labour politicians: how will you pay for it? The specifics in the manifesto cost money; how to find those billions is couched in generalities.

The three centrepiece tax proposals are the plan for married people looking after children to transfer their tax allowance to a working spouse, the target of a 20p basic rate of income tax, and a pledge to reduce the burden of capital gains and inheritance tax when possible. The first will cost about £1.5bn according to the Institute for Fiscal Studies. A 3p reduction in the basic rate of tax would cost nearly £6bn. And CGT and inheritance tax together raise £4.5bn a year.

The Government is not promising to reduce taxes by £1.2bn in one fell swoop if it wins the election - perish the thought that it could be so irresponsible.

So when would it be affordable? The trouble with the manifesto promises is that the Government has already done the most it thought possible in terms of reducing tax in the Budget only four months ago. The plans set out at the end of November foresee tax rising as a share of national income in order to plug the gaping hole in the public finances. Tough expenditure limits are predicted to bring spending down as a share of national income. The plans were based on an already optimistic forecast for economic growth. Nothing has changed the arithmetic since then.

It is a matter of logic to figure out the possibilities for further tax cuts. The obvious one would be to increase other taxes. Kenneth Clarke and Mr Major when asked yesterday were careful not to rule out increases in VAT. The ghost of Geoffrey Howe's 1979 Budget hovers - a pre-election promise not to raise VAT was followed by its near-doubling a few weeks after polling day.

Another possibility would be to finance lower taxes by further reductions in public spending. But if the Conservatives said they were planning this they would meet with incredulity amongst independent experts. Economists to a person - and that includes the private opinion of Treasury officials - think it will be extremely difficult to hit the existing targets.

Besides, the manifesto also promises higher spending on hospitals, schools and the police. That will have to be funded by reducing the social security budget - falsely claimed by the manifesto to be taking a declining share of national income.

Its share has actually been rising steadily.

That leaves only two other options. Assume the economy will start to perform much better so tax revenues grow naturally - which would be a complete fudge. Or abandon the pledge of fiscal responsibility and let borrowing take the strain - the most likely outcome in practice, perhaps, but least attractive in terms of rhetoric.

So the Government has not told us how it would pay for the tax cuts and bits and pieces of higher spending dangled in the manifesto. It is an all-gain, no-pain set of proposals, and as such not a genuine economic programme.

But one area of genuine difference between the Conservatives and Labour over the economy does emerge very clearly in the absence from the manifesto of any discussion of income inequality or what Continental Europeans would call social exclusion.

It claims that the possibility for married couples to transfer their tax allowance would "provide a targeted reduction in the tax bill to families who need it most." Not according to the IFS, whose researcher Paul Johnson said yesterday: "This will not help families at the bottom of the income distribution." And it will certainly not help single parents. It rewards a narrow group of people not facing particular hardship.

It will also sharply reduce the incentive for middle-class wives to take paid work. The tax treatment of second earners, mainly women, will revert to the pre-Second World War position - a real backward step for a government which claims to have created a dynamic economy with more working women than any other country in Europe.



Family affair: Lisa Bates with her daughter Jennifer - tax proposal is welcome but not enough to earn her vote Photograph: Peter Macdiarmid

Taxman's boost for family fortunes

Mark Rowe

Lisa Bates takes her three-year-old daughter Jennifer to a playgroup three days a week. At a cost of £5 a day this means she has already spent more than her weekly family allowance of £10.10 before counting the other expenses of bringing up a young child.

In theory, John Major's proposal to transfer Mrs Bates's unused tax allowance of around £17 a week to her husband, Rick, should be welcome in their household.

"It is certainly better than nothing and will probably help up to a point," said Mrs Bates. "Apart from the playgroup, I spend another £25 a week on clothes and food for Jennifer."

Mrs Bates, 27, gave up work as a legal executive for Westminster Council in London three years ago when Jennifer

How the carers' tax break would work

- Under the proposed Married Couples' Allowance, the employed partner of a non-employed carer would receive double the normal personal allowance (£8090 rather than £4045). The carer's personal allowance is in effect added onto the earner's own.
- The basic rate of income tax (23 per cent), which would in previous years have been levied on the second £4045 earned by the breadwinner, would no longer be paid under the policy. So the Government would subsidise carers' partners who earn £8090 or more, to the tune of £930 per year.
- If the carer is earning enough to pay income tax (that is, more than his or her personal allowance), he or she does not qualify for the Married Couples' Allowance. If the carer earns some money, but not enough to be taxed, the amount he or she earns is deducted from the personal allowance figure to be added onto the earner's personal allowance.
- Approximately 1.8 million couples, or 6.9 per cent of the 26 million taxpayers in the UK, are in the position where one married partner cares for children and the other works. The allowance applies to those caring for the disabled, as well as to those caring for children.
- The Conservatives estimated the cost of implementing the policy at £1.2bn yesterday. Labour at up to £5bn. Replying to questions from Denis MacShane on 11 March, Michael Jack, Financial Secretary to the Treasury, said: "The estimated full year cost at 1997-98 income levels of allowing couples to transfer their unused personal allowance to their spouse is estimated to be £3.4 billion."

Compiled by Ben Summers

Unfortunately for the Conservatives, the Prime Minister's plan will not secure him the Bates's votes on 1 May.

"We vote Liberal Democrat and this is not enough to change our minds," said Mrs Bates. "The Tories have done enough damage."

"I don't think we'd really notice any benefit. Transferring the tax allowance will just appear as a tiny rise in Rick's pay slip. It will just get swallowed up in all the bills."

Mrs Bates would be more impressed if the tax break was instead incorporated into child benefit.

"I would rather they increased the family allowance which is just not enough," she said.

"It would make me feel a bit more independent and I could look at a real figure which could be spent on Jennifer. After all, it is my allowance."

EDUCATION

Theory unlikely to be put into practice

Judith Judd
Education Editor

After 18 years in power the Conservatives are ready to offer parents a guarantee of educational standards.

It is a bold decision, particularly as the best-known guarantee in the educational world is offered by a Labour-run local authority - Birmingham. Perhaps it is also a sign that, on a growing number of educational issues - school targets, bad teachers, bad schools and bad local authorities - the two main parties are as one.

The Birmingham guarantee, however, is different. It does involve agreeing targets for schools, but the authority promises adequate funding in return. There is no hint that any of the Conservatives' education proposals will cost money, though more tests and league tables undoubtedly will.

From teachers there was relief that the manifesto contains no new shocks. That is a victory for Gillian Shepherd, Secretary of State for Education, who has fought off demands from her right wing for compulsory opt-out for all secondary schools, and even the abolition of local education authorities.

Of course, if the proposed changes to schools actually happened, the educational landscape would be transformed. Every town would have a grammar school if parents wanted one. A fifth of the 4,500 secondary schools would have become specialist schools for arts, technology, modern languages or sport - 900 instead of the present 231. All schools would become more like church schools with control over their own admissions policies and, possibly, their own assets.

But most of it won't happen because the cornerstone of these proposals is parental choice, and parents will not choose in the way the Conservatives expect. Grant-maintained schools which have been at the heart of the party's policy since 1988 have not proved popular: there are just over 1,000 out of 24,000 schools.

Plans for new grammar schools are unlikely to fare much better as recent polls show that support for them is waning among parents. The popularity of specialist schools is, as yet, unknown but it is questionable whether many parents will be convinced that children as young as 11 should be channelled by aptitude.

For teachers, the most controversial suggestion is that their performance should be assessed by their pupils' exam and test results. Payment by results was tried, briefly, at the end of the last century; for most of the time since, it has been ridiculed.

These proposals are parental choice, and parents will not choose in the way the Conservatives expect. Grant-maintained schools which have been at the heart of the party's policy since 1988 have not proved popular: there are just over 1,000 out of 24,000 schools.

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Councils will be encouraged to continue offloading homes

HOUSING

Council switch set to continue

Nicholas Schoon
Environment Correspondent

The Conservatives plan to continue slashing the number of council homes, with the aim of encouraging more than half the remaining council tenants to transfer their homes to new non-profitmaking landlords.

The transfers have been going on for nearly 10 years with housing associations taking over council homes along with their tenants. But so far only 240,000 homes have been transferred in England.

The manifesto target of more than half implies at least 1.7 million more council homes being transferred. The housing moved out of local authority control to date has been easier to shift, because it has mostly been in suburban locations rather than in decaying inner cities.

"Transferring half may be achievable in the long term, but I doubt it could be done within 10 years," said John Perry, director of policy at the Chartered Institute of Housing.

Transfers, which have to be voted for by the tenants before

they can go ahead, are now seen by both Conservative and much of Labour as the key way of getting private finance to fund the extensive repairs and renovation thousands of run-down council estates need. The backlog is put at about £20bn.

As part of the public sector, councils are under strict spending controls and are denied these funds. But once transferred to not-for-profit organisations, such as housing associations and the new Local Housing Companies, money can be borrowed from the private sector.

The estates usually have some asset value against which to raise the loan, which can be paid back with the tenants' rents - although these are increasingly state financed through housing benefit.

Housing experts said the question raised was how much state-funded collateral would be needed to persuade the private sector to invest in improving the worst of inner city estates which have a negative asset value - and whether this government money would be forthcoming.

LAW AND ORDER

Focus on control and punishment

Patricia Wynn Davies
Legal affairs Editor

The law and order programme of a future Conservative government would build on the existing theme of more punishment, more prisons, more surveillance and "zero tolerance" of petty crime.

Voluntary identity cards, closed circuit television, electronic tagging and minimum jail sentences are the key planks that would allow people to "sleep safely in their homes and walk safely on the streets", the manifesto says.

Penal experts were sceptical, deriding the pledges as election soundbites that were unlikely to reduce crime.

While the manifesto covers much already well-trodden ground, there are four proposed initiatives that can be classed as new, or as developments on existing thinking.

A Tory government would go ahead with a proposal to give judges the power to stop defendants from personally cross-examining alleged rape victims or other victims deemed vulnerable. It would also bring forward measures to modernise the systems for dealing with City fraud.

The section on tackling juvenile crime promises to make the probation service, rather than social services, responsible for enforcing community punishment for under-16s.

The manifesto includes a pledge to extend electronically monitored curfew orders nationwide for offenders aged 16 and over - despite Home Office research showing that a quarter of the young criminals fitted with electronic tags in pilot schemes breached their orders.

Over the next Parliament £75m would be provided to continue extending CCTV to town centres and housing es-

tates, and for the introduction of voluntary identity cards.

A future Tory government would restore those parts of the minimum sentencing legislation toned down by the opposition parties and would legislate on Green Paper plans to force young offenders to make reparation to their victims, and impose control orders, backed by sanctions, on parents who refuse to supervise their offspring.

There would be a further 8,500 prison places by the year 2000, and the legal aid scheme for civil and criminal cases would become cash-limited.

Paul Cavendish, chairman of the Penal Affairs Consortium, said: "The public would be better protected if instead of increasing the use of prison and tagging, the same resources were used to strengthen probation programmes and to produce more rehabilitative prison regimes."

HEALTH

Year-on-year pledge to raise spending on NHS

Annabel Ferriman

The manifesto recipe for the NHS is a careful mixture of basic populist ingredients - more money, more doctors, more nurses, more health - topped off with some ideological icing, in the shape of more hospital league tables and more private investment in capital schemes.

The party does not quantify its promise to increase spending. It just says it will increase resources "in real terms" year on year. It does specify, however, that the intake of students into medical schools will go up to 5,000 by the year 2000 (it now stands at 4,740) and the number of nurses qualifying each year will increase by 2,500.

The Conservatives claimed that spending on the health service had been increased since 1979 by nearly 75 per cent

more than inflation to almost £43bn, and boasted that the number of patients being treated had risen from 5.1 million in 1979 to 9.2 million today. Such claims, however, take little account of the fact that the method by which such numbers are collected has been changed several times during the intervening years and that numbers were already rising before Margaret Thatcher came to power.

The manifesto shows sensitivity to two criticisms - that the number of bureaucrats has increased at the expense of front-line staff and that the closure of many mental hospitals has led to vulnerable people being released into inadequate community care. It counters the first by claiming that for every senior NHS manager, there are now 77 front-line staff (no comparison is made for 1979, however), and

the second, by promising: "We will not close any long-stay mental hospitals unless it can be shown that adequate care services exist in the community".

The promise to promote the Private Finance Initiative "which will unleash a new flow of investment funds into the modernisation of the NHS" would carry more weight if the Government had managed to get any substantial schemes under way before the election was called. At present, three PFI hospital projects - in Norfolk, Kent, and Buckinghamshire - are in limbo because bankers investing in the schemes recently became worried that hospital trusts did not have the right to enter into such deals with the private sector. A new government will have to introduce legislation to clarify the legal powers of all hospital trusts.

EUROPE

Echoes of Thatcher as Major takes hard line

Anthony Bevins
Political Editor

The intransigent line to be taken by the Conservatives on Europe was illustrated by the Prime Minister yesterday when he echoed the "no, no, no" line taken by Margaret Thatcher in 1990.

John Major said that within six weeks of the election, an Amsterdam summit would be held on the future direction of the European Union, and one of two party leaders would be there to represent the British people. "Either it will be me, and I will say 'no' to the re-trenchment of the veto, 'no' to the social chapter, 'no' to the employment chapter, and 'no' to the policies that would damage this country. Or it will be a Labour prime minister who has already indicated that he will say

'yes' to all these things and he would not be isolated in Europe. But I just have to say to you and to him, if he is not prepared to be isolated in Europe, then he cannot represent the British interest in Europe."

The manifesto section on Europe begins: "We believe that in an uncertain, competitive world, the nation state is a rock of security... Nationhood gives people a sense of belonging."

It is beyond doubt that a Tory prime minister would resist any further changes towards centralised decision-making in Brussels, reducing sovereignty, or removing the right to further British opt-outs. But the manifesto repeats that Mr Major would go much further than that at the Amsterdam summit, with a demand for a repatriation of rights that have been eroded since the Maastricht Treaty.

Not only would there be resistance to any threat to British frontier controls, or the extension of European citizenship, but a Tory government would "insist that any new treaty recognises that our opt-out from the social chapter enables Britain to be exempt from the working time directive, and prevents any abuse of our opt-out."

As for the single currency, the manifesto repeats the Cabinet line agreed on 23 January that it is unlikely to go ahead, but that if it does, and is fudged, then Britain will not be part of it, and will argue for delay beyond January 1999. However, in the unlikely circumstances of a Tory agreement to join the currency, there would be a guarantee "that no such decision would be implemented unless the British people gave their express approval in a referendum."

election '97

Lib-Dems take stand on women's rights

Fran Abrams
Political Correspondent

Rights to make it easier for women to take violent husbands to court, and to receive state pensions even if they have not worked, will form a key part of the Liberal Democrat manifesto.

The party is aiming to promote itself as the true home of sexual equality with an appeal

to women voters today from Baroness (Shirley) Williams and with a full chapter devoted to their concerns tomorrow in its manifesto.

With women making up the majority of floating voters, Liberal Democrats hope their emphasis will win them support. The party believes there is still a long way to go before British women have equal opportunities.

Among the promises in the manifesto for the first Parliament of a Liberal Democrat government is a pledge to strengthen civil law remedies for victims of domestic violence. This would mean clearer rules on the granting of protection orders, injunctions and rights of occupancy for women in the family home. The party would also improve the provision of refuge places for victims of violence, and would aim to improve the treatment of rape victims in the courts. They would be given progress reports on their cases, allowed separate waiting rooms from defendants in courts, and if their attackers are convicted they would be told their release dates from prison.

Over time, the party would like to replace the contributory state pension scheme which can leave women with only basic pensions if they have taken long career breaks. Instead, it would base the entitlement to a full pension on citizenship and residence in the United Kingdom. Like the other parties, the Liberal Democrats want women to benefit from the splitting of their husbands' pensions on divorce.

The party also wants to work to extend employment and pension rights to part-time employees, many of whom are women. It also plans tougher obligations on employers to establish equal opportunities procedures and tougher policing of the principle of equal pay for work of equal value.

Targets for the number of women in public life will also be promoted in the manifesto. It will promise that within a decade, at least a third of all people on public bodies would be women. The procedures and facilities of the House of Commons would be reformed to make them more accommodating to women and families.

Baroness Williams, who is to play a major role in the party's election campaign, will set out its stall to women voters today although the detail will be in the manifesto. She will argue that all the party's major policies pay attention to the needs of

women. Education, the health service, child care, crime prevention, a carer's charter and a better public transport infrastructure are all things that they care about, she will argue. A party spokeswoman said: "As far as the Tories are concerned women are just half of a married couple. There is no genuine equality of opportunity in their manifesto, but ours is underpinned by it."

Prescott express runs into a spot of bother

Colin Brown
Chief Political Correspondent

A presidential-style symbol is to be deployed by John Prescott to stamp his personal appeal on trains, helicopters and his campaign battle bus.

The deputy leader of the Labour Party, who has been assured by Tony Blair that he will be appointed Deputy Prime Minister, if Labour wins the election, is planning to take the stick-on "Prescott Express" seal wherever he goes, in his coast-to-coast tour of Britain.

The Prescott roadshow pulled into Redditch last night for a pop concert to make Labour's campaign go with a swing. Earlier, his campaign bus stopped at Uttoxeter, in the Conservative-held key marginal constituency of Burton where Labour needs a swing of 3.5 per cent to win the seat.

Mr Prescott, who has a campaigning role on the BSE crisis, criticised the Conservatives' handling of the mad cow disease. He said BSE was an example of one of the Tories' many "policies of failure".

Farmer Ian Holmes, 58, who runs a farm in Shropshire, told Mr Prescott that interest rates were sky high when Labour was last in power and asked why he should trust the party this time. Mr Prescott replied: "We will deliver on

health, education and jobs for our young people and I will come back here in five years' time and meet you if we haven't delivered on most things."

Labour's candidate, Janet Dean, a 48-year-old mother-of-two, said many voters had told her they planned to switch from Conservative to Labour on 1 May. Graham Morrell, 34, an unemployed maintenance fitter from Uttoxeter, said: "I voted Tory last time round, but I have had enough. I have four children to look after and I am sick and tired of false promises from the Conservatives. Last time they said they would cut taxes and give everyone a better standard of living. Their claims that there is an economic boom are laughable."

Mr Prescott's battle bus arrived at Birmingham's Victoria Square with D-Beam's hit single "Things Can Only Get Better" booming out.

However, he ran into trouble after a rapturous welcome when he lifted up five-year-old Laura Blakemore.

The girl's father, Steve Blakemore, a 35-year-old toolmaker, from Rushall, Walsall, grabbed her back and later told reporters he was unhappy that Mr Prescott had not asked permission.

"He could have said, 'Do you mind?' I object to him picking up kids willy-nilly."



Campaigning role: John Prescott and Labour's prospective candidate for Burton, Janet Dean, visiting a farm at Uttoxeter, Staffordshire yesterday

Photograph: David Rose

QUOTES OF THE DAY

"If there's an anti-sleaze candidate in this country, it's me" - John Major, speaking on 'Today'

"With a £26bn deficit this year, his plans are not credible and will be seen for what they are: a desperate set of promises that would never be delivered were the Tories to win the election" - Gordon Brown

"I was fed up at the last election with rattling around the country conferring the Westminster blessing on some unsuspecting lathe operator in the West Midlands" - Paddy Ashdown

"The Prime Minister has called him a big chicken and we all think he's a big chicken and we want him to sign up and do a debate" - Conservative Central Office, which is to send a fluffy yellow chicken to Labour's election manifesto launch

"We are sure we will persuade Worcester Woman, Worcester Man, Worcester Young Person, Worcester Student and Worcester Pensioner to vote for us. They will all see the danger of Labour as poseurs and that they will be better off under the Conservatives" - Michael Heseltine, in Worcester

"Today's Tory Party is more like a karaoke party. Every minister is singing a different tune on Europe and none of them knows the right words" - Margaret Beckett

"Sleaze!" - shouted by a group of children at a photocall with Michael Howard in Folkestone

Compiled by Sam Coates

MEDIA WATCH

Major complains of interview hijack

Paul McCann
Media Correspondent

John Major clashed with John Humphrys on the *Today* programme yesterday, accusing the broadcaster of "hijacking" the interview to talk about sleaze in the Conservative Party rather than the manifesto.

Mr Humphrys said later that the subject for interview had been "difficult to call" but defended his right to pursue the Prime Minister on sleaze in the Mr Major's first interview since the subject hit the headlines.

The *Today* programme said callers to the show said Mr Major had come across as bad tempered during the exchange when he said: "No, John, you have hijacked half of this interview already." Mr Major claimed the subject of sleaze was irrelevant to most of the public but declared "If there is an anti-sleaze candidate in this

election, it is me." The Prime Minister had been pressed to say whether he thought Conservative candidates tainted by financial or personal scandal should step down. "I am determined that Parliament will be above reproach. But I believe these matters must be dealt with in proper due form," he said.

Mr Humphrys expressed surprise that Mr Major had declared the interview to be hijacked: "It is an interesting question - who does an interview belong to? Is it ours, or the Prime Minister's? I think it belongs to the listeners."

"He clearly felt that sleaze shouldn't have been there at all," said Mr Humphrys, "but we couldn't not ask about sleaze, and you cannot just ask one question and then let off the hook."

Mr Humphrys denied that following Mr Major's rebuke he had allowed the Prime Minister to get his own way in the interview.

"You are damned or blessed whichever way you manage it. One doesn't consciously say, 'well, I've given him a hard time on this, so I'll ease up for the rest of it.' Though you do have to remember that listeners don't want an interview that is just endless bickering."

"It was the launch of the party manifesto and you have to give them a chance to talk about the contents of the manifesto."

Mr Major praised at length the Government's achievements on the economy, inflation, health and education. "That must be what we are examined on in the general election," he said.

The *Today* programme interviewed Tony Blair this morning as the Labour Party launched its manifesto and will interview Paddy Ashdown tomorrow.



Major: Listeners do not want interview of bickering

AROUND THE REGIONS

All change likely at pleasure beach

LANCASHIRE

Evening Post

"Years ago, I would have been frightened to vote Labour as a businessman, but they definitely seem to have changed and are more friendly towards people running businesses - and they have got a good front man." Terry Gornall from the Ribbles Valley Service Centre is typical of the swing to Labour in Lancashire.

But could a landslide happen here? A poll of 500 of our readers showed Labour well ahead in Lancashire, with 48 per cent saying they would vote Labour compared with 35 per cent in 1992. The Conservatives drew 18 per cent, down from 28 per cent, and the Liberal Democrats 12 per cent, unchanged. No journalist would bet his mortgage on a poll but it appears a true barometer of current local attitudes.

Helen Fletcher, 29, a director's secretary, voted Tory in 1992. This time she is not sure. "The Tories have not done too much for me, although my husband

has been successful. However, I think maybe it is time for a change. I will wait until the last minute before making up my mind."

Mrs Fletcher lives in the South Ribbles constituency of Robert Atkins, the former sports minister, cricket buff and boating friend of the Prime Minister, whose 15 per cent majority would be wiped out by the sort of swing we saw across the water in the Wirral South by-election in February.

The most winnable seat for Labour is Blackpool South, where sailing enthusiasts Richard Booth is all at sea defending a 0.6 per cent Tory majority.

With his roots firmly in rival Yorkshire and his seat eighth on the Labour hit list, Mr Booth looks set to spend more time helping the family businesses, which include fabric care and garment finishing (and perhaps a campaign suit of armour to measure).

No wonder incumbent Nick Hawkins hopped it to the safe seat of Surrey Heath. Labour has never won a seat in Blackpool - the proletariat is obviously made up of day-trippers. But this time they could win both of them.

The seat to watch, though, is Chorley, where Tory MP Den Dover is defending a 4 per cent majority. For the

last 30 years, Chorley has been won by the party which won the general election. New Labour's weather-vane candidate is Lindsay Hoyle, director of a printing company.

As for the Lib Dems, a 3 per cent swing to them would recapture Southport, which they lost in 1992. They are much less likely to win back Ribbles Valley, surprisingly won in a 1991 by-election but lost in 1992 to Tory Nigel Evans.

The only crumb of comfort for local Tories is that sleaze is not an issue here. As we reported: "Lancashire Tories were today cock-a-hoop that all their forthcoming election candidates appear deadly dull." But the most interesting finding in our poll was that 46 per cent did not trust any of the three main parties. A warning there for all, perhaps?

Neil Hodgkinson
Editor, Lancashire Evening Post

significant shorts

Finance chiefs see tax rises on horizon

More than half of the finance chiefs at UK companies believe the next government should raise taxes to keep its manifesto promises, according to a survey published yesterday.

Whoever gets into power, 58 per cent are resigned to the fact that the next government will almost certainly increase tax rates. However, just over a third of the 200 finance chiefs polled by *Accountancy Age* magazine and Reed Accountancy Personnel opposed any rises in income tax.

They were asked if they thought the incoming government would or should put taxes up to pay for improvements to the health service, education and law and order. The majority, 55 per cent, agreed that tax rises were worth it to pay for genuine improvements.

Even those opposed to any rises accept they are probably inevitable. Out of the 37 per cent who do not want a greater slice of their salaries going to the taxman, 30 per cent see it happening anyway. Only 2 per cent of those questioned thought tax rises were more likely under a Labour government than a Conservative administration.

Actress takes on 'police state'

The actress Vanessa Redgrave yesterday helped set up a new political party designed "to oppose the laws of a police state" which will field one candidate at the election.

The Charter for Basic Rights will fight the south London seat of Tooting on a platform of repealing a series of laws affecting the police, terrorism, asylum-seekers and trade unions. The party advocates pulling troops out of Northern Ireland and releasing all political prisoners, with immediate unconditional all-party talks on the future of Ulster. It aims to defend the democratic rights it claims have been eroded by the Government. Ms Redgrave and her brother Corin have set up the party, with backing from writers Harold Pinter and Edward Bond. Their candidate in Tooting is Jan Koenig, 43, a teacher, lecturer, actor and stage director.

Chicken jibe home to roost

Tony Blair will be pursued by a fluffy yellow chicken when he launches the Labour manifesto today.

The chicken, alias musician/actor Noel Fianagan, 39, has been sent by the Tories to pursue the Labour leader until he agrees to a television debate with John Major. A spokeswoman from Conservative Central Office said: "He will be following Tony Blair around until he agrees to do a TV debate. The Prime Minister has called him a big chicken and we all think he's a big chicken and we want him to sign up and do a debate."

Poll boosts Tory odds

The odds on the Conservatives winning most seats in the election shortened yesterday after an opinion poll boost for John Major. Ladbrokes cut the price to 4/1 from 9/2 as hundreds of punters put money on the Tories for the first time in months. Labour were pushed back to 1/7 from 1/8 but still remain hot favourites.

1. *Chlorophyll a* and *Chlorophyll b* contents were determined by spectrophotometry using the method of Lichtenthaler and Whaley (1987). The total chlorophyll content was calculated as the sum of *Chlorophyll a* and *Chlorophyll b*.



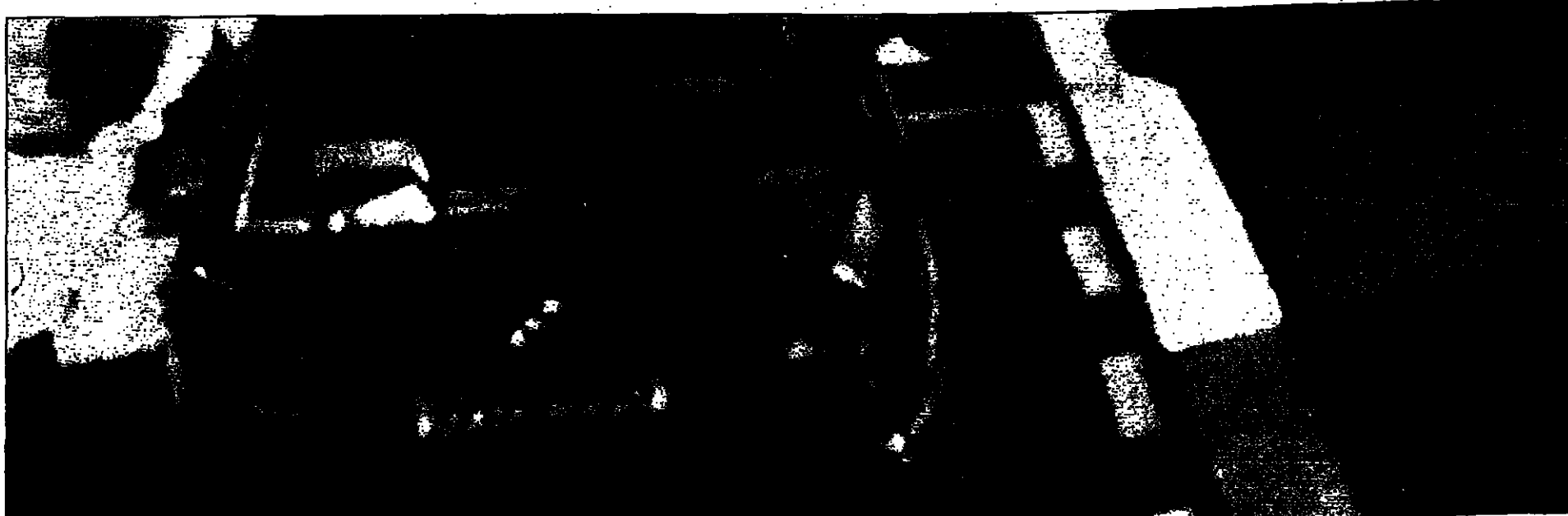
Waheyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyyy dude!

NOTHING MOVES YOU LIKE A CITROËN

[illegible]

news

Diplomatic dodgers run up big fine for the taxpayer



Trouble on the roads: A diplomatic car captured parked in a bus lane in central London by a police surveillance camera

Christopher Bellamy

Foreign diplomats in London rack up unpaid parking fines every year of about £55,000, according to the Foreign Office. The huge figure indicates that London — like New York — could well decide to hit back at diplomats abusing their diplomatic privilege to break the law.

Embassy staff are abusing immunity rules and costing Britain dear. **Christopher Bellamy reports**

The issue has caused a row in New York, where a UN committee has threatened to take the issue of tough new parking rules to the General Assembly. New York Mayor Rudolph Giuliani's new regulations, which went into effect on Tues-

day, allow towing of foreign diplomats' cars parked illegally and removal of their license plates if they fail to pay tickets within a year. A special police "hot line" is being set up so that any unauthorised vehicles using those spots could be towed

away. Opponents claim the plan is a violation of diplomatic immunity under international law.

"Diplomatic immunity is like virginity," Jose Eduardo Martins Felicio of Brazil said. "Either you have it or you have not."

I have not seen a half-virgin."

During Monday's committee session, French diplomat Hubert Legal said that New York City "isn't the only place to put the UN as a headquarters."

State Department spokesman Nicholas Burns called

Mr Legal's remarks "perfectly ridiculous" and expressed irritation with the foreign delegations which ignore parking laws.

"There's one delegation that has five cars and (had) 1,200 parking tickets in 1996," Mr Burns said. He urged these

delegations to "stop this diplomatic whining about parking tickets. They ought to pay them and first and foremost they ought to obey our laws."

Like their counterparts in New York, the 5,000 foreign diplomats and their 6,000 dependents living in London, plus 5,000 officers and dependents working for international organisations, are all entitled to varying degrees of diplomatic immunity and diplomatic privileges. These are all designed to enable them to do their jobs effectively — primarily to guarantee the smooth conduct of business and preserve the secrecy of diplomatic communications. Most do not abuse those privileges.

Some do, however. During 1995, 28 serious offences were committed by people entitled to diplomatic immunity. Most of the offences involved drink driving and shoplifting. But only five diplomats or members of their families were withdrawn from their posts as a result of these alleged offences.

Parking on red or yellow lines or in residents' parking spaces, which attract varying fines — £35 on average — is the most common abuse of diplomatic immunity. The latest figures revealed 1,586 unpaid parking fines during 1995. The 1996 figures will be available shortly, the Foreign Office said yesterday. At £35 each these would total £55,000. It is not in foreign embassies' interest to upset the locals, and most of them pay up — by April last year they had paid £11,600.

The Foreign Office periodically publishes a league table. The worst offenders in 1995 were the Nigerians, with 117 tickets, followed by India with 83, Ghana with 66, Sudan with 45 and Malaysia with 32. Iran, the Russian Federation and Zimbabwe tied as a relatively law-abiding 22nd with 15 and Tanzania, Albania and the US a law-abiding 25th with 14. About this time each year the Foreign Office writes to all the 142 embassies and high commissions

Tens of thousands above the law

Hundreds of thousands of people living in Europe enjoy immunity from criminal prosecution due to their diplomatic status. They include representatives of international organisations such as the European Union, as well as a broad range of aid and governmental agencies, courts and commissions, writes Adrian Hadfield.

In Geneva alone, more than 50,000 people have some kind of immunity: 21,000 broadly classified as diplomats and 33,000 family members, according to a Swiss government official.

While the conferment of immunity does technically grant *carte blanche* to these people to ignore the laws of the host country, international conventions and standard diplomatic protocol prevent the abuse of immunity for more serious crimes. "We expect our guests to respect our laws — that should be a standard," the Swiss official said.

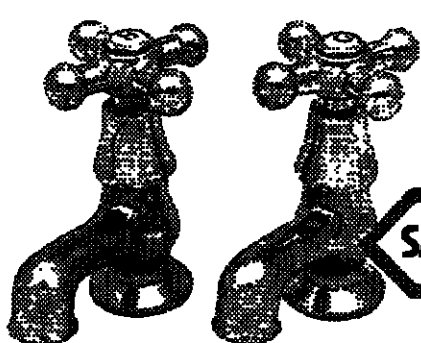
In Vienna, towed diplomatic cars are returned to their owners free of charge.

"We see the advantages of having organisations like the UN in our cities rather than the disadvantages of keeping them," one Austrian government official said.

and 104 consulates general inviting them to pay off all outstanding parking fines. If the fines are not paid, the diplomats concerned can eventually be asked to leave the country, although this is seldom necessary.

The presence of large numbers of diplomats costs Britain in other ways, too. The figure for parking fines is a tiny amount compared with the £25 million of VAT refunded on goods and services to diplomats and employees of international organisations in the last year.

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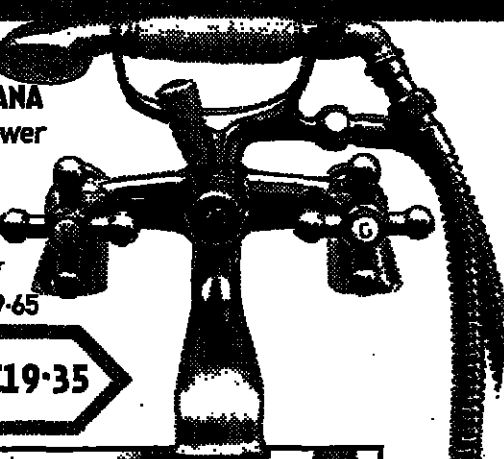


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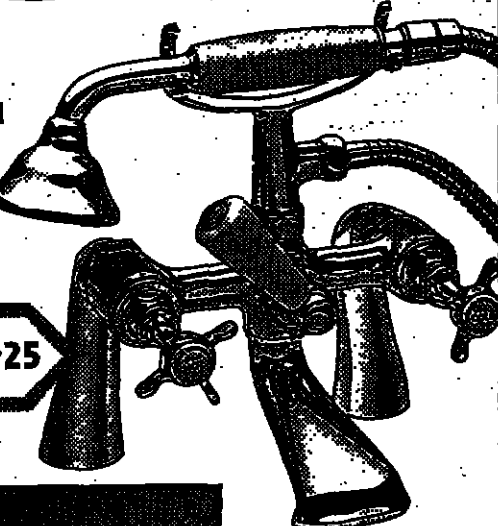


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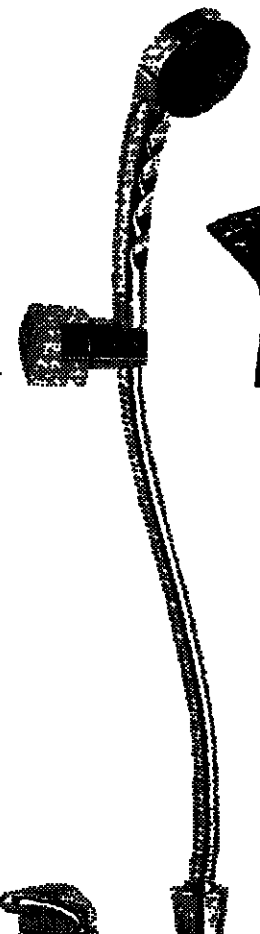
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DAILY POEM

The Mower to the Glow-worms

By Andrew Marvell

Ye living lamps, by whose dear light
The nightingale does sit so late,
And studying all the summer night,
Her matchless songs does meditate;

Ye country comets, that portend
No war, nor prince's funeral,
Shining unto no higher end
Than to prestage the grass's fall;

Ye glow-worms, whose officious flame
To wandering mowers shows the way,
That in the night have lost their aim
And after foolish fires do stray;

Your courteous lights in vain you waste
Since Juliana here is come,
For she my mind hath so displaced
That I shall never find my home.

This poem appears in Gordon Campbell's selection of Andrew Marvell's verse for the Everyman's Poetry series (Everyman/J M Dent £2). Republican, spy and satirist, Marvell preceded John Prescott as an MP for Hull; he held the seat from 1659 until his death in 1678.

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Lebanon-Israel border truce at risk

Syria pulls out of monitoring group as sceptical Palestinians wait for President Clinton to revive Oslo agreement

Robert Fisk
Beirut

The collapse of the Middle East "peace process" has claimed another important victim: the ceasefire committee that has monitored truce violations in southern Lebanon since last April's Israeli-Hizbollah war, which cost the lives of at least 160 Lebanese civilians. In an ominous development, the Syrians – following the Arab League's decision to freeze Arab relations with Israel – have let it be known that they do not wish to attend sessions with their Israeli counterparts in the United Nations headquarters at Naqoura on the Israeli-Lebanese border.

The committee – which was created specifically to protect civilians – is made up of representatives of the United States, France, Syria, Israel and Lebanon, and has met at least a dozen times to adjudicate on the responsibility for truce violations over the past 11 months. While choosing its words judiciously, it has several times blamed Israel for the wounding and killing of civilians since April 1996, including the death of a young Lebanese mother.

Yesterday, however, no Syrian-Lebanese request was made to hold a meeting into the weekend Israeli shelling of the village of Beit Leif, and the Lebanese were privately informed that Syria does not wish to sit at the table with Israeli officers to discuss the matter, at least for the present.

In the aftermath of last Spring's bombardment – which culminated in the slaughter by Israeli artillerymen of more than 100 Lebanese civilians who had sought protection in the UN's Fijian battalion headquarters at Qana – all sides praised the setting up of the monitoring committee as a guarantee of safeguarding civilians who live close to the area

which the Israeli army occupies in southern Lebanon.

The terms of the truce were not to Israel's satisfaction. It allowed the Hizbollah and the Israelis to continue their war inside Lebanon – provided they did not fire from or at civilian districts between the Mediterranean and the Syrian border. UN troops based in the south of Lebanon – whose observation posts allow clear sight over the terrain – provided the committee with their own record of events and helped the five powers to decide who was to blame for violations.

Although it was an imperfect institution, the monitoring group none the less provided a check on the war in southern Lebanon which has led to two Israeli invasions and two mass Israeli bombardments over the past 19 years.

The danger now is that without the committee, both the Israelis and the Hizbollah will see fit to take their own revenge for alleged truce violations and even repeat the events of last year, when a booby trap bomb which killed a Lebanese boy provoked the Hizbollah into firing rockets into Israel – which in turn prompted the Israeli bombardment and the massacre at Qana.

The Hizbollah and the Israelis have continued their war against each other ever since; only two days ago, a Sagar anti-tank rocket fired by the Hizbollah killed one of Israel's proxy Lebanese militia men and wounded four others in an attack on an M-113 troop transporter near the Lebanese town of Marjayoun. Israeli artillery responded by firing around the village of Majdel Zorn.

Thus has the steadily worsening crisis in the Middle East and the new Jewish settlement on occupied land made another potential war-front far more dangerous.



Anger in Gaza: Palestinian students who support Islamic Jihad chanting anti-Israeli slogans at a memorial rally yesterday for bomber Abdullah al-Madhoon. Photograph: Reuters

Washington loses its grip on peace process

Patrick Cockburn
Jerusalem

In the last week two well-known Americans have visited Jerusalem: Dennis Ross, the US coordinator for the Israeli-Palestinian peace negotiations, and Judge Ito, who presided over the first OJ Simpson trial. Mr Ross's visit was brief but heavily publicised. Judge Ito's presence might not have been known at all if an alert photographer had not spotted his familiar face as he entered the Church of the Holy Sepulchre. In recent months the US effort to resolve the Israeli-Palestinian conflict has looked increasingly like the OJ Simpson trial. Despite the immense length of the proceedings in both cases, Mr Ross looks no more likely to produce a satisfactory result than Judge Ito.

The US peace envoy and the Californian judge share a worrying tendency to allow events, over which they are meant to exercise authority, to swing out of control. In one respect Mr Ross has the advantage. The OJ Simpson case is over, while the Oslo peace accords have yet to be nailed in their coffin.

Just how much life is left in the peace process may become clearer when Benjamin Netanyahu, the Israeli Prime Minister, visits Washington to see President Bill Clinton next Monday. On the face of it the prospects are not good. Shai Bazzak, the Prime Minister's spokesman, said yesterday that Israel wants "first of all and as a first condition, the cessation of Palestinian terrorism – and only then the continuation of diplomatic negotiations". Yasser Arafat, the Palestinian leader, says: "The Israeli settlement policy puts the entire

peace process in real danger." President Clinton is close to launching a fresh peace initiative. This would involve speeding up the Oslo process, moving to discussion of the final status of issues like Jerusalem, boundaries of the West Bank and Gaza. Palestinian refugees, Israeli settlements and relations with foreign states. Something like this approach has already been suggested by Mr Netanyahu.

Palestinians have two objections to this. They say Israel is trying to avoid implementing the present interim phase of the peace process, signed by the previous Israeli government in 1995, which should mean an end to Israeli occupation of most of the West Bank and Gaza. Secondly, by building the largest Israeli settlement in Jerusalem since 1980 at Har Homa, Mr Arafat says Mr Netanyahu is pre-empting final status talks on two of the most divisive issues: Jerusalem and Israeli settlements.

President Clinton will try to reassure the Palestinians that the three phase Israeli withdrawal from the West Bank will continue. But they will have doubts, particularly about Mr Ross. It was he who mediated the Hebron agreement in January which left the size of Israeli withdrawals on the West Bank to be decided by Israel. Mr Netanyahu now speaks of returning only half the West Bank. Furthermore the US has twice vetoed UN Security Council resolutions condemning the construction of Har Homa. This was the critical support which Mr Netanyahu needed. Marwan Barghout, general secretary of Fatah, the main Palestinian political movement, said at the weekend: "From the US I don't expect anything. They are with the Israelis."

Yemen to crucify school killer

Sana'a, (Reuters) — A Yemeni appeals court yesterday ruled that a man should be executed by firing squad and his body nailed on a cross for three days near the site where he shot dead four schoolchildren and two teachers.

"We order that the accused be executed by firing squad and crucified for three days ... to be a deterrent to others," the three-judge panel told a packed courtroom.

The ruling, which upheld a death sentence on Monday against Mohammad Ahmad Mislleh, 48, sparked applause and cheers of "long live justice" among hundreds of people in the courtroom, some of them relatives of his victims.

"Now we can bury the dead," said Abdul Karim al-Olafi, brother of a teacher killed in Sunday's shootings. The appeals court said Mislleh should be executed in the street near to the two schools he attacked. Mislleh opened fire with an assault rifle on hundreds of children lined up in the yards of the adjacent schools before morning classes.

The appeal judges said: "This crime terrorised children, parents and the entire society ... He [Mislleh] is a corrupt influence and should be eliminated from society."



Gun law: Albanian policeman guarding the first ferry to arrive in Durres since last month's riots. Photograph: Reuters

Prodi visit calms Albanians

Andrew Gumbel
Rome

It was the perfect gesture of reconciliation. At eight o'clock yesterday morning a fleet of Italian military helicopters landed in the southern Albanian town of Gjirokastra and, to everyone's surprise, the portly figure of the prime minister, Romano Prodi, emerged for an unscheduled meeting with his Albanian counterpart, Bashkim Fino.

Relations between Italy and Albania have been near snapping point ever since last Friday when dozens of Albanian immigrants drowned in the Adriatic following a collision with an Italian navy corvette, and the impromptu bilateral summit was not without risks. As it turned out, though, it could not have run more smoothly.

Mr Prodi promised to launch a full investigation into the accident in the Adriatic and even invited the Albanians to take part in the investigating committee. Mr Fino formally repeated his government's request for an Italian-led intervention force to restore order to Albania – his way of assuring the Italians that the tragedy had not caused permanent damage to relations between their countries. A few hours later, an upbeat Mr Prodi was back in Rome briefing parliament on his visit and vowing that the so-called Multinational Protection Force, which Italy is leading and contributing to heavily, would be going into Albania as scheduled in the next week or so.

"This is not a mission without risks or technical difficulties," Mr Prodi said. "But we are not going into Albania to interfere in that country's internal affairs or get involved in promoting or protecting partisan interests. We are going to distribute aid and help the Albanians to rebuild a normal life for themselves."

Amnesty for illegal migrants ruled out in joint crackdown

Stephen Vines
Hong Kong

Both Hong Kong and China have issued statements stressing that there will be no amnesty for illegal immigrants in the colony following the handover of power.

The statements – a rare display of co-ordinated action – underline China's fears that the return of Hong Kong's sovereignty will trigger an avalanche of illegal Chinese immigration to its newly recovered territory.

China has gone a step further and announced strict controls on Chinese nationals even being granted the right to visit Hong Kong during the handover period in the middle of the year. Both the colony and the neighbouring Chinese border town of Shenzhen will be the subject of a visitor curb.

Wang Ying-gang, a vice-director of the Guangdong Public Security Bureau was reported by local newspapers as saying that the curbs were being imposed "to maintain Hong Kong's order and ensure the smooth running of the various celebrations being held". Nevertheless, the authorities have noted an upsurge in illegal immigration, particularly of children, because their parents believe that their situation can be legalised after China takes over on 1 July.

Last month 400 illegal immigrant children gave themselves up to the authorities, some three to four times the normal number. Police sources say that the "snake heads" – the criminal gangs who smuggle illegal immigrants over the border – are spreading rumours about a possible post-July amnesty in order to stimulate business. They run well organised people smuggling networks using small craft which arrive in Hong Kong waters with illegal immigrants and leave with goods to smuggle into China.

The slightest hint of an amnesty for illegal immigrants triggers an immediate upsurge of Chinese people smuggled across the border. For example, in June 1987 some 40,000 people were prevented from crossing into Hong Kong by the Chinese authorities following an amnesty rumour. It is not known how many illegal immigrants manage to penetrate the tight security around Hong Kong's land and sea border but every day truckloads of "illegals" are repatriated to China without any right of appeal or a hearing to determine their status.

UK cash helps desperate Pyongyang

Richard Lloyd Parry

The British government has given half a million pounds of aid to Stalinist North Korea, and agreed to send English teaching experts to Pyongyang, in the latest sign of increasingly warm relations with its former Korean War enemy.

The £495,000 cash donation was made a fortnight ago through the International Federation of Red Cross Societies (IFRC) on the eve of a historic visit to Pyongyang by a high level delegation of British diplomats. The four-day mission, led by David Coates, head of the Foreign Office's Far Eastern and Pacific Department, was the first British mission to visit

the North since the Korean Armistice in 1953 and comes at a time of increasing desperation for the Stalinist state.

North Korea is in the grip of a worsening food crisis, caused by a series of devastating floods coupled with the collapse of the country's collectivised economy. Officials of the Red Cross and United Nations World Food Programme (WFP) who recently returned from the North said that people in the countryside have been reduced to eating grass, roots and the bark of trees to supplement rice rations, which have been reduced to 100 grams a day.

The UN will soon launch an appeal for more than \$100m (£60m) to tide the country over until the next harvest, but already children are showing signs of advanced malnutrition. "Millions of people are going to starve to death this summer if the international community does not get a lot of food to North Korea soon," said Catherine Bertini, executive director of the WFP in Tokyo yesterday.

The British visit comes just five months after a similar mission in Warsaw last October, and appears to mark the latest stage in a discreet but concerted effort to bolster British involvement in a region hitherto dominated by Japan and the United States. Officials play down the significance of the talks, but several small but significant developments suggest

that both sides are concerned to improve relations. Mr Coates and his party discussed proposals for four-way peace talks involving the two Koreas, plus China and the United States. After a visit to the Pyongyang School of Foreign Languages, the delegation agreed to send written materials and a British Council adviser to improve teaching methods.

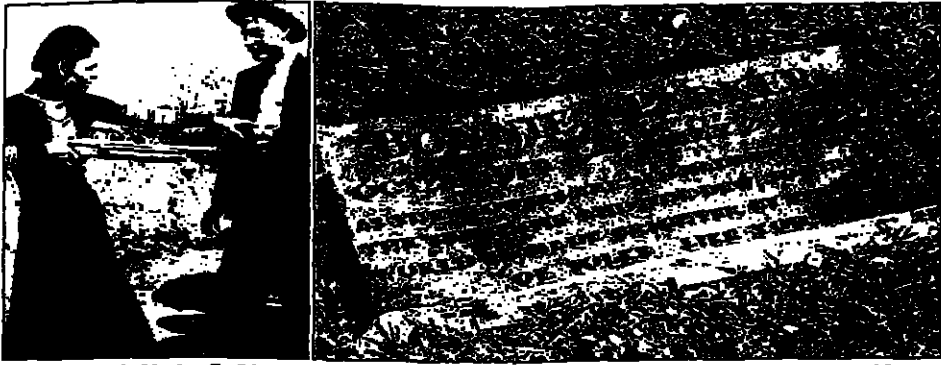
In cultivating Pyongyang, the Foreign Office runs the risk of alienating South Korea, which is fearful of being excluded from agreements between Pyongyang and third countries. According to British officials, the talks in Pyongyang had to wait until after a long-postponed meeting between the two Koreas

and the US, which finally took place in New York last month. A Seoul newspaper, the *Chung An Ilbo* recently ran an article speculating that Britain would soon open a diplomatic bureau in Pyongyang, which the Foreign Office denies.



international

Bonnie and Clyde to be reunited in death



Bonnie and Clyde (left), were shot in Louisiana in May 1934. Clyde's sister, Marie, plans to auction his possessions to pay for him to be buried in Bonnie's grave (right)

Tim Cornwell
Denver

They were the tragic young lovers united by violence, immortalised on the silver screen by Faye Dunaway and Warren Beatty. But Clyde Barrow and Bonnie Parker, against their wishes, were buried apart. That could change if Marie Barrow, Clyde's only surviving sibling, has her way.

On 14 April, Ms Barrow will sell her brother's bullet-ridden and bloody shirt, along with some of his other personal belongings, to raise money to move his grave.

"Bonnie begged her mother to bury them together, and her

mother promised all the time that she would," Ms Barrow told the *Dallas Morning News*.

"But then she didn't do it. I guess she thought Clyde had taken Bonnie off and got her killed. You know how mothers feel."

As celebrated as OJ Simpson in their time, Bonnie and Clyde were gunned down in an ambush near Gibeland, Louisiana, in May 1934, aged 23 and 24. More than 16,000 people lined up to see their publicly displayed bodies.

Their deaths ended a two-year crime spree in which the Barrow gang robbed banks and shops across the South-west and Mid-west, killing at least 15

people. They were buried in separate cemeteries in Dallas.

The San Francisco auction house Butterfield and Butterfield will take bids on the shirt, Clyde's pocket watch - still running - and a series of original Bonnie and Clyde snapshots from the Barrow family album, including some of them posing with their guns.



Screen idols: Warren Beatty and Faye Dunaway immortalised the tragic young lovers in the celebrated 1967 film about their life of crime

Spokesman Levi Morgan said the items are valued between \$56,000 and \$76,000 (£35,000 and £48,000). Other memorabilia have

been sold in previous auctions, he said, including the car in which they died and which contained 15 firearms.

Clyde bought the shirt in In-

dianapolis while he was on the run, and wore it when he was ambushed by Texas Ranger Frank Hamer, the man who tracked down the couple, and

six other men. It has pearl buttons and more than 30 bullet and buckshot holes. The shirt was removed by a mortician and passed on to his father. It is ex-

pected to sell for up to \$45,000. Also on sale is one of Clyde's first rifles, which he played with as a child, pretending to be Jesse James.

Clinton denies aide took hush money

Rupert Cornwell
Washington

Unrelenting as the Furies of Greek legend, the Whitewater affair has struck again at the White House, this time with allegations that top Presidential aides helped arrange "hush money" payments to a disgraced friend of the Clintons from their Arkansas days, to dissuade him from co-operating with Whitewater investigators.

The furor erupted on Tuesday evening when the White House disclosed that Mr Clinton's first chief of staff, Thomas "Mac" McLarty, and Erskine Bowles, who currently holds the job, helped find work for Webster Hubbell in 1994 after Mr Hubbell resigned as Associate Attorney General.

Within a few months of his departure, Mr Hubbell had been charged and convicted of swindling \$480,000 (£300,000) from the Rose Law Firm in Little Rock, Arkansas, where he had been a partner alongside Hillary Clinton, and was familiar with her work on behalf of Madison Guaranty, the failed savings bank at the heart of the Whitewater controversy.

But in his hour of supreme need - jobless, with a family to support, and staring at the prospect of a 16-month jail sentence for fraud - financial help miraculously emerged, in the shape of a clutch of business and legal consultancies worth more than \$400,000 a year. Most of these were put together at the urging of close aides of the Clintons. Among these latter, it now emerges, were Mr McLarty and Mr Bowles.

Thus the central question emerges: were the payments to encourage Mr Hubbell, then under intense pressure from Whitewater prosecutors to co-operate in return for a lighter sentence, to keep his mouth

shut? If so, as the *Wall Street Journal* pointed out yesterday, "a cover-up scandal not seen since Watergate" might be about to unravel.

At this stage, of course, the parallel is still fanciful, and the White House insists that Mr Clinton's associates were merely trying to help an old friend through his troubles. All three were pillars of the close-knit local establishment of the 1980s: Mr Clinton as Governor, Mr McLarty as head of the state energy company, Arkla, and Mr Hubbell as a former Mayor of Little Rock. People were "understandably concerned about Mr Hubbell's well-being," a White House spokesman said.

But, in Washington's ultra-partisan climate, such explanations are unlikely to suffice. At the very least, the latest revelations will generate more demands for testimony from the Republican-controlled Congressional committees that torment the Clinton White House. Far more serious, they could become the "missing link" that allows Mr Starr to bring the scandal over 1996 Democratic campaign fundraising under the already broad umbrella of his Whitewater investigation. Among the providential benefactors of Mr Hubbell, with a \$100,000 retainer, was the same Lippo group of Indonesia which made massive, allegedly improper, contributions to the Democratic party last year.

A few weeks ago, Mr Starr seemed ready to throw in the Whitewater towel. Now he is bringing witnesses to the Hubbell consultancies before a Little Rock grand jury to explore the "hush money" theory. Circumstantial evidence offers support. Mr Hubbell did go to prison, and has refused to help Mr Starr - to the point where prosecutors warn they may bring new charges against him.

Making a killing in the wilderness

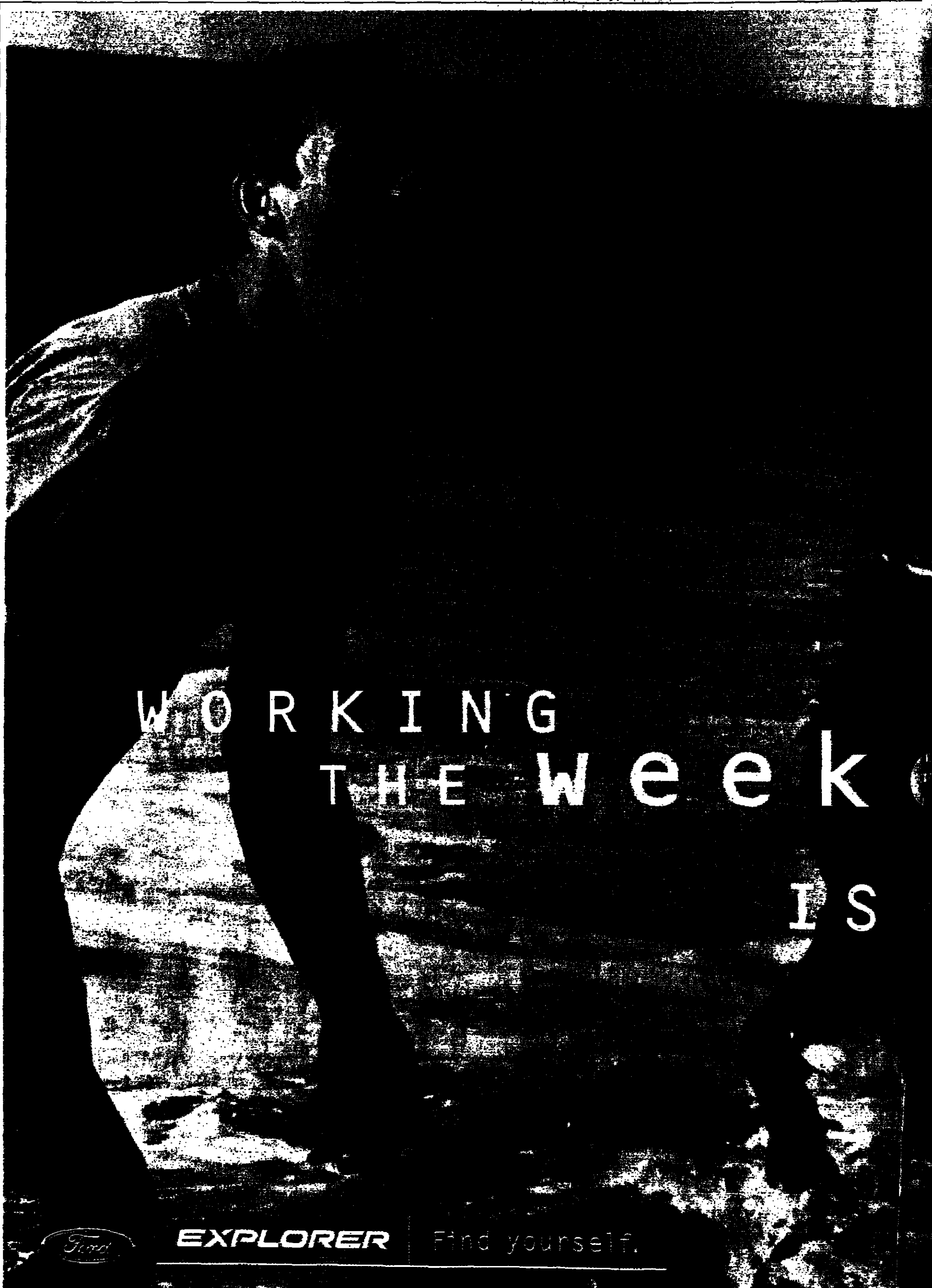
Tim Cornwell
Denver

It may be one of the Wild West's last land grabs, a chance to buy a square mile of Nevada for as little as \$3,000 down.

But then again, it could also be an inspired piece of marketing. The property company selling a million acres of old railway land - dubbed "scenic wilderness" - was opening sealed bids on the first 60,000 acres yesterday, and seemed poised to make a killing. Two months ago the Nevada Land and Resource Company put out a press release on *Business*

Wire, an international media relations wire service, announcing "The Nevada land rush is on!" It has since had 15,000 inquiries, some from as far away as Germany and Britain.

But as one company official admitted, the land in question is mostly high desert with little water, no paved roads, freezing in winter and fiery in summer, suitable mainly for growing sagebrush. "It gives new meaning to the word nowhere," said Carmel Hopkins, real estate editor of the *Las Vegas Journal-Review* newspaper. "It will probably be three to four hundred years before it's worth anything."



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مكتبة من الأصل

Caught in the act: brutal police face wrath of Brazil

Phil Davison
Latin America Correspondent

After heavily beating a car passenger with their batons for no apparent reason, the Brazilian police let him drive off. Then one fired two shots through the back window, killing him, according to his friends.

The Sao Paulo policemen did not know they were being filmed on an amateur video, shown on Monday on the big Globo TV channel. In a separate incident, filmed at the same roadblock on a different night, the same policemen were seen beating a man with clubs before taking him behind a wall. The video sound recorded screams and a gunshot and the cameraman said he later found the man wounded.

The latest case of brutality by Sao Paulo's military-led police

outraged but hardly surprised Brazilians. Human rights groups have long described the Sao Paulo police as one of the world's most violent.

Nine of the 10 officers seen on the videos, recorded in the city's poor Diadema suburb, have been detained by the military police pending trial. After public fears that they would get off lightly before a military tribunal, Mario Covas, Sao Paulo's state governor, said they would be tried by a civilian court.

Mr Covas apologised to the public but sought to portray the incident as isolated. Most Brazilians scoffed. "This kind of stuff happens all the time. The only difference this time is that it's down on film," said James Cavallaro of the human rights group Americas Watch.

"This was in no way an isolated incident," added Con-

gressman Jose Anibal. "It happens all the time. I hope this leads to an end to the impunity policemen like these have enjoyed for so long."

"They are nothing more than bandits in uniform," said state prosecutor Luiz Antonio Marrey. "They are cops turned into criminals since they've committed murder, assault, extortion and abuse of authority."

Witnesses said the police had beaten drivers who refused to pay bribes to allow them through the roadblock. "The authors of this barbarity must receive exemplary punishment," said Ricardo Balestrari of Amnesty International Brazil.

Sao Paulo's military-led police gained notoriety in 1992 when they put down an inmates' revolt at Carandiru prison to put down an inmates' revolt. More than 100 prisoners died.



On air: A Sao Paulo policeman caught on video grabbing a motorist. Officers are notorious for their brutality and dishonesty Photograph: Reuters

Turks fear anti-Islamic hate behind murders

Tony Barber
Europe Editor

Turkey's Islamist-led government pressed for more information yesterday about a spate of arson attacks which have killed nine Turks in Germany and the Netherlands in the last 10 days. "I am telling the West, come to your senses, stop this violence, be human," the Turkish Prime Minister, Necmettin Erbakan, told members of his ruling Welfare Party on Tuesday.

Dutch and German police said it was too soon to conclude that the two worst arson attacks, in The Hague and in the west German town of Krefeld, had been motivated by racism or anti-Islamic hatred.

The Dutch blaze killed a Turkish mother, Mahi Koesdag, and five of her children in her flat on 25 March. Three Turks, a mother and two teenagers, died in their flat in last Monday's German fire.

While some Turks living in western Europe have been the targets of native right-wing extremists in recent years, other

incidents of anti-Turkish violence have been attributed to Kurdish activists involved in the 13-year-old war against the Turkish armed forces in south-eastern Turkey. Some Kurdish fighters see violence in European cities as a way of attracting attention to their cause.

However, Mr Erbakan linked the latest attacks to what he called the anti-Islamic propaganda filling the media and literature of Western countries. Pointing the finger of blame at Western governments, police and judicial authorities, he said: "You are responsible for these acts, because you are not giving the necessary punishment to those responsible."

The killings in The Hague provoked particular concern because of the long-standing reputation of the Dutch for tolerance.

"The thought that we could be dealing with arson with some ethnic motivation is dramatic. That would be an entirely new phenomenon in The Netherlands," said Wim Kok, the Prime Minister.

significant shorts

Mobutu rival chosen as Zairean prime minister

Zairean opposition leaders said yesterday that President Mobutu Sese Seko had formally been given the name of a longtime rival as his new prime minister.

Prosper Ndume, a member of parliament and spokesman for the opposition coalition, said the formal document naming Etienne Tshisekedi as parliament's choice for prime minister were sent to Mr Mobutu yesterday. The president was expected to approve the decision yesterday. AP - Kinshasa

Saudi king funds pilgrims

Saudi Arabia's King Fahd has ordered that 1,000 Muslims from Chechnya be invited to perform the pilgrimage to Mecca this month at his personal expense, Saudi newspapers reported. Reuters - Dubai

Death of recalled journalist

Just days after being recalled from his post in Washington, Chinese journalist Wei Guoqi committed suicide in Peking last weekend after a colleague said he had been discovered preparing to defect, the *New York Times* reported. Mr Wei, 47, was the Washington bureau chief of the New China News Agency Xinhua.

The newspaper quoted one of Mr Wei's colleagues as saying he was recalled to Peking last month after a colleague discovered him preparing documents to support a political asylum application in the United States for himself, his wife and his daughter. Reuters - New York

Fears for Belarus independence

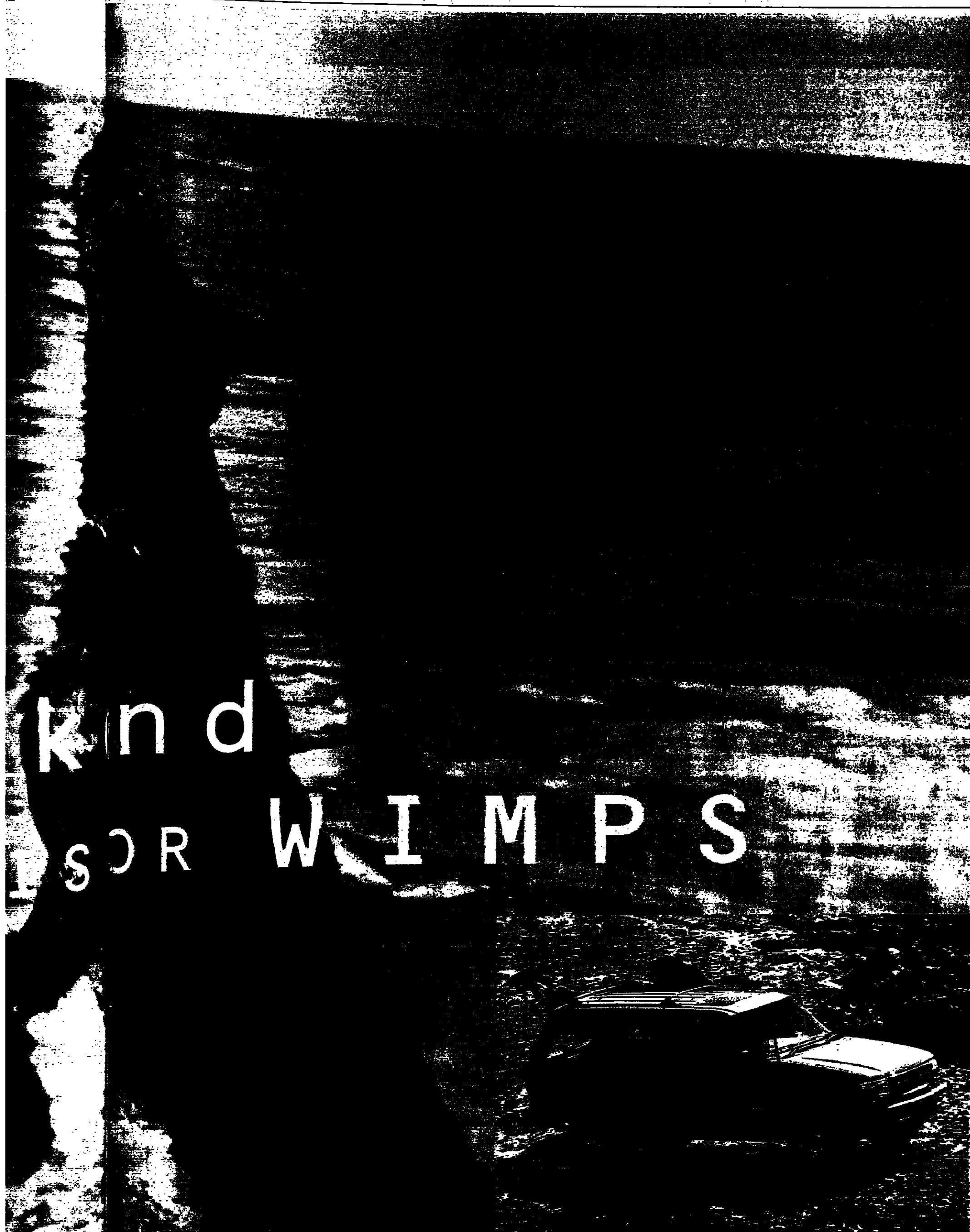
About 4,000 people marched through the capital of Belarus chanting "Independence", in protest at an outline union treaty signed by the Russian and Belarussian presidents in Moscow.

Witnesses said the march through Minsk was mostly peaceful but police detained at least 10 people angered by the treaty, which they believe would return Belarus to domination by Moscow after five years of independence from the Soviet Union. Reuters - Minsk

'Godzilla' creator dies

Tomoyuki Tanaka, the father of the Godzilla monster movie series, died of a stroke yesterday, 16 months after his giant lizard-like creation was killed off in the final Japanese episode.

Tanaka, 86, rose to fame in 1954 with the film *Godzilla*, the story of a lizard-like creature awakened from a long slumber by hydrogen bomb testing. Reuters - Tokyo



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Donald Shepherd

Photograph: Yorkshire Evening Press

Jonathan Glancy
Donald Wilton Shepherd, builder and businessman: born York 18 October 1918; managing director, Shepherd Building Group Ltd 1962-72; deputy chairman 1962-96; chairman and managing director, Portakabin Ltd 1972-96; OBE 1992; married 1948 (one son, one daughter); died off Oban, Argyll 27 March 1997.

James Miles
Dorothy Liu Yiu-chu, lawyer: born Hong Kong 8 July 1934; married (one son; marriage dissolved); died Hong Kong 31 March 1997.

Kyncl, front, and Index on Censorship colleagues in 1982: George Thelmer, right; Cameron Duodu, back, and Philip Spender

National Portrait Gallery: Andrew Robinson, 'Representations of the Early English Monarchy', 1.10pm.

Luncheons

Canada-UK Chamber of Commerce
Mr David P. O'Brien, Chairman, President and CEO, Canadian Pacific Limited, was the guest of honour and speaker at a luncheon held yesterday by the Canada-UK Chamber of Commerce at the Tower Hotel, London E1. Mr Michael Chapman, President of the Chamber, presided.

Dinners

Australian and New Zealand Chambers of Commerce
Dr Don Brach, Governor, Reserve Bank of New Zealand, was the guest of honour at a dinner held yesterday evening by the Australian and New Zealand Chambers of Commerce. Mr John Collins, High Commissioner

Truly conservative, clear and refreshing

Our task today, and over the next two days, is to praise – to extract from the principal contenders' statements of policy and intent the best case there is for supporting them in the election. There is no need to pretend election manifestos are texts worthy of scholarly exegesis; you do not need to be a political Derrida to deconstruct them. What they do offer is material to be able to say what difference your vote would make, be it left, right or centre.

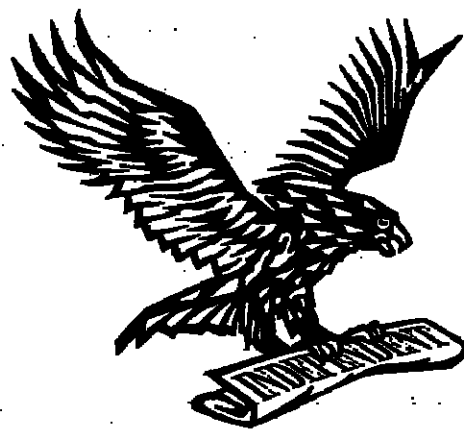
Yesterday John Major presented himself as Stanley Macmillan. He came very close to saying "you've never had it so good" and then almost put himself forward as a latter-day Baldwin, asking for a doctor's mandate: the patient is already healthy and the physician's task is to keep her in fine fettle. His is truly a conservative manifesto.

Conservative Britain is, no question, a comfortable place. It is a better-off place, compared with five years ago. Britain has more mobile phones, more televisions (and more channels), supermarkets, restaurants (and celebrity chefs). The UK's big numbers look good; and even with the effects of the economic cycle stripped out, some of them – such as rate of job creation – look even better relative to our big European neighbours. It would be economically illiterate to ascribe all this to the macro-economic ministrations of Norman Lamont, or even Kenneth Clarke, but it would be politically puri-

tanical to deny them any credit at all.

Beneath yesterday's Tory talk about haves and have-nots lies a nugget of truth about modern British political economy: the only way in which the poor are going to get richer is by the expansion of employment. As for the Tories' conduct of the public finances, British books look handsome when viewed in the mirror of Maastricht. If you weigh public expectations of government spending, present and future, and public preparedness to pay taxes, you discover that the United Kingdom has effected a balance which politicians from Bonn to Rome say they want, but are finding very difficult to achieve.

Now the Major government has moved on, opening British eyes to the costs of ageing. Proposals are in the manifesto to reshape pensions and care of the infirm old. Conservative Britain is better prepared for the 21st century. That is a big phrase; whether a government can prepare society for its future is debatable. But a fair case can be made that the Major government has pushed British people into a pattern of realistic expectation – about employment prospects, the need to save for their dotage, about the extent to which they can legitimately expect a successor generation to provide for them out of its income. In time they may need to be equally realistic about what a public health service can do for them, given its future claim on public budgets.



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for the time being the Conservatives are content to let that public illusion alone.

To call the Conservatives the post-modern party might sound a double-edged compliment. Yesterday's manifesto actually strives for a Britain that is economically alert, able to roll with the punches of globalisation, but one where older social virtues are cherished. It is a hard trick to pull off. The manifesto proposals to use the tax system to endow women who stay at home is an effort in this direction, potentially expanding and equalising the choices open to families.

That is an emotive word, choice. It

would be hard to gainsay the manifesto's sense that the *Zeitgeist* still broadly runs in favour of expanding individual opportunity to choose among providers, public and private.

Yet the manifesto also exhibits just how conservative the Conservatives have become since the heady Thatcherite days. Not to privatise the Royal Mail: not to make any grand promises about the rest of the state – this is to share the public's sense that wholesale stripping of state functions has probably gone far enough. The manifesto, probably accurately, reflects the way in which the public still wants

to apply commercial analogies to the management of public services, including schooling and social housing.

The *Independent* has been specially interested in two subjects to which, to its credit, the Tory manifesto devotes considerable space – the British constitution, and Britain's place in Europe. No one can say the Tory position on these crux questions is anything but forthright. Mr Major flies his colours openly as the unionist party. Committees, separate manifestos for Scotland and Wales, flat-tory of difference north and west – these, the manifesto says, conduce to the British ideal of diversity within union. Separate legislatures in Cardiff and Edinburgh would open a gateway to conflict and, possibly, the break-up of an entity that works. Mr Major presents himself as the true inheritor of the Victorian opponents of electoral change. Scottish devolution is a leap in the dark.

As for Europe, Tory Europe is an alliance of trading partners, able to enforce measures against the restraint of trade but impotent against the sovereign powers of the UK Parliament. That this commits the Conservatives to further grinding opposition to the stated intentions of all other members of the European Union is a straightforward deduction readers of the manifesto are left to make. Its language on a single currency is fudged but a perspicacious reader will have little doubt that no Major led government would

join up now, later, or indeed ever.

Let us welcome that clarity, even though we do not support it. The Tory manifesto makes a refreshing read, for these two reasons. First, it helps dispel fashionable cant about there being no difference between the parties; there is, and they are enumerated here. Second, it offers a straightforward picture of what Britain in 2002 would look like, if the Conservatives have their way. It would look pretty much like Britain in 1997. And, in many ways, that is a better Britain than it was in 1979.

The heavens can't wait

Anything Professor Stephen Hawking has to say commands respect. But his intellectual distinction does not mean he is always right. He seems to be suggesting that we earthlings should deliberately hide ourselves and evidence of our civilisation in case superior alien intelligences pay us a visit that turns out to be unwelcome as Pizarro's in central America at the end of the 15th century. But the analogy is wrong. The spirit of curiosity which drove Columbus ought to power the exploration of the heavens, resources and intelligence and technology permitting, in centuries to come.

LETTERS TO THE EDITOR

Our medieval treatment of Iraq's people

Sir: Thank you for exposing the dangerous infantilism of US policy towards "Saddam's Iraq" (report, 27 March; letters, 1 April). We are back to the worst excesses of medieval despots where the opponent's serfs were slaughtered to make a point.

"Starvation as a method of warfare" is explicitly forbidden by the 1971 additions to the Geneva Conventions.

As the British government refuses to allow any Iraqis to spend the money they saved in British banks, Unicef has paid for water-purifying equipment to repair a little of the damage done by our bombing campaign in 1991. This money is taken out of the mouths of starving refugees in Central Africa.

The comprehensive wrecking of the Iraqi economy is equivalent to a "natural disaster" (according to Oxfam) for the Horn of Africa, where remittances from Iraq once allowed a modest prosperity to many poor families.

Demagogues such as Clinton and Major maintain themselves in power by pandering to the most vicious populist scapegoating of a whole nation of 19 million people. JANET CAMERON Glasgow

Sir: Elias Davidsson (letter 1 April) points out that the UN embargo against Iraq contravenes the Geneva Convention. This should, of course, be quite sufficient to ensure the immediate lifting of the embargo, but apparently it is not.

Let me therefore point out that it also directly contravenes the Convention on the Rights of the Child, Article 24 of which enjoins parties to take appropriate measures both "to diminish infant and child mortality", and "to ensure the provision of necessary medical assistance and health care to all children with emphasis on the development of primary health care".

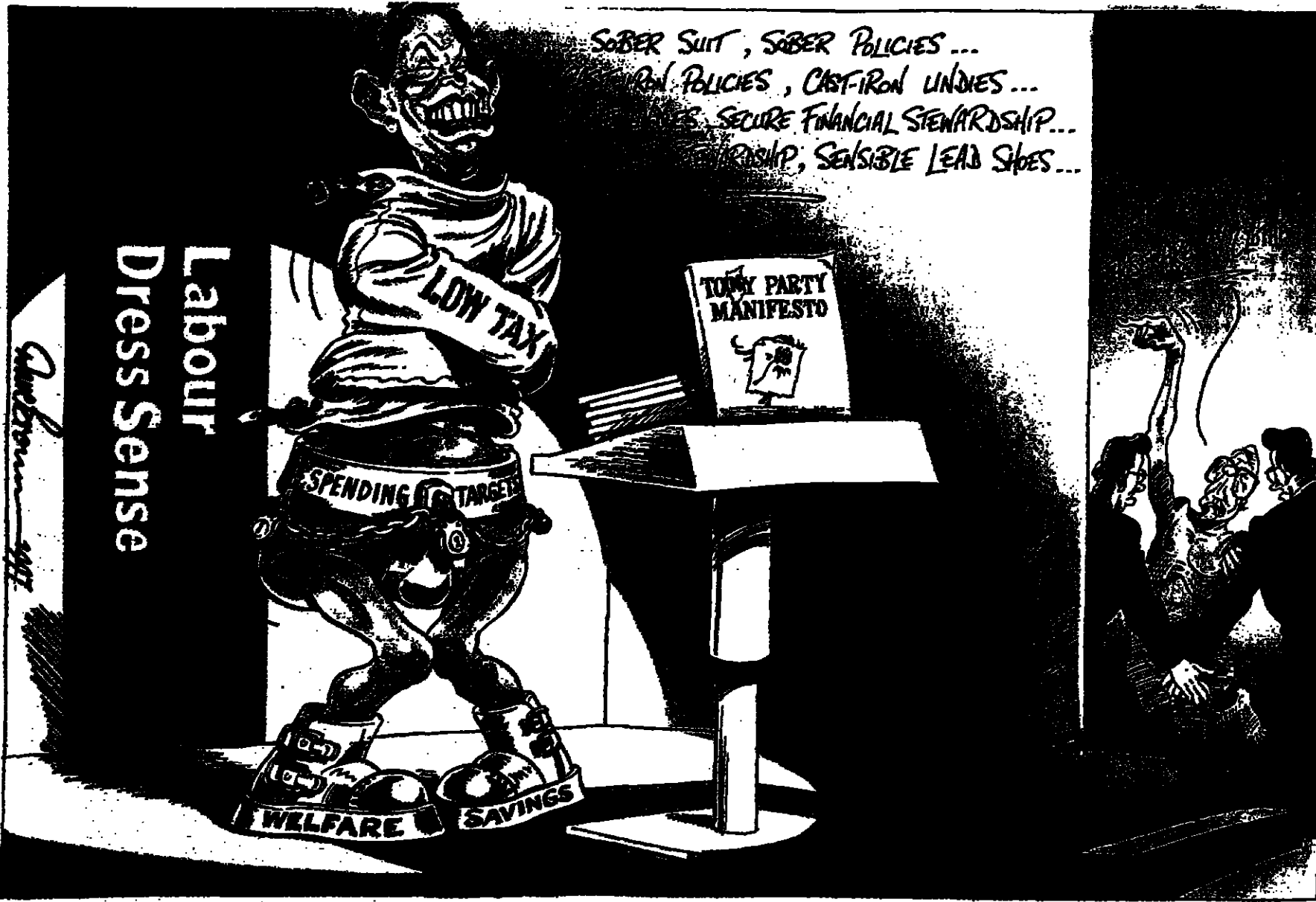
The convention does not have the force of law, but it does have the immediacy of having been signed by almost every country in the world within the last eight years, in most cases since the embargo began. BILL LINTON London N13

Old Tory virtues forgotten

Sir: Some general election candidates might do well to read the 1959 Conservative and Unionist Manifesto. This states: "Conservatism is more than successful administration. It is a way of life. It stands for integrity as well as for efficiency, for moral values as well as for material advancement, for service and not merely self-seeking."

How times have changed. MICHAEL FROST London SW19

Sir: Having viewed with interest the Hale-Bopp comet I can't help thinking that its significance has been missed. It appeared in our skies about the time John Major called the election and is set to disappear by early May. Is it not therefore a sign from above – rarely seen – that there will be a Labour landslide at the election? CATHERINE BARMSY London, N6



Sir: Confirmation that, under the Tories, even rogues are not what they used to be comes from Dr CD Knight (letter, 29 March). He refers to "rogues in high places caught with their pants down and their fingers in the till". The till "in high places" are presumably on the upper floors of department stores, and only the incompetent would hope to run down stairs with stolen cash when their trousers are around their ankles. ERNEST RUDD York

Sir: "Wanted: a decent, angry champion" (front page headline, 2 April) – surely despite yesterday's April Fool and today's (2 April) letter, the obvious candidate must be Swampy. Tatton constituency lies to the west of the airport and covers many of the most affected areas. Think again Swampy? ADRIAN BANFIELD Buckley, Chyd

Britain left behind in space

Sir: The article by Charles Arthur ("Spacebus of future will run on fresh air", 28 March) on NASA's projected Hyper-X space vehicle, once again highlights Britain's current ineptitude when it comes to aerospace technology.

For 20-odd years after the Second World War, Britain led the world in the development of aero-engines, from the early turbines of Sir Frank Whittle, through to the unique Rolls-Royce Pegasus that first took to the air in 1960 – powering the P 1127 "Jump Jet" – the forerunner of the Harrier. Since then, brilliant engineers

and designers, such as Alan Bond and David Ashford, have been totally frustrated by an apparent lack of interest from successive governments and an absence of financial support from a private sector that is only interested in short-term profit. Such an attitude has resulted in Britain falling well behind the United States and even France in export sales of aerospace hardware. Whilst the work-force at Rolls-Royce continues to produce excellent jet engines for the world's airlines, their pioneering spirit seems to have deserted them and, as Charles Arthur reports, the next generation of engine designs – incorporating new technology – will be emerging from American factories. J M TRACEY Liverpool

Battle for the Normandy bridge

Sir: There is a veritable army of British veterans of the Normandy landings in 1944 who are entirely with Madame Arlette Goudrée-Pritchett ("Pegasus Bridge veterans vow to liberate museum", 31 March). They support the action she is taking over the Airborne Forces Museum. They know and welcome her intention not to close the museum but to run it better with their help.

They do not want a large, commercialised theme park. They want a quiet, simple dignified

memorial, respectful of the memory of their fallen comrades and a genuine place of pilgrimage. That is what Madame Goudrée-Pritchett's parents wanted, it is what she equally wants and what the British veterans want. The French authorities know and respect these wishes.

This remarkable woman (of Anglo-French citizenship) is an honoured guest of veterans' organisations throughout Britain. I write as one of those veterans, in full knowledge of the weight of numbers and personalities behind the cause which we share with Madame Goudrée-Pritchett. The great need is for her supporters to make their voices heard, loud and clear, without delay, to ensure that right prevails. BERNARD ADAMS Taunton

Last straw for a nation in crisis

Sir: Dear, oh dear. Here we are at a time of crisis three years from the Millennium, or is it four years? We are suffering from the malignant force of the comet Hale-Bopp and finally up to our necks into the sleaze and tedium of a lengthy general election campaign and what does Paul McCann do? He fails the entire nation ("Why Britain (and Anna Ford) is swearing by the Grundys", 2 April). It was Grace Archer, Phil Archer's first wife, not the matriarch Doris Archer who died

in a stable fire in 1955 to divert the nation from the launch of ITV. Doris Archer lived on for many years and died only fairly recently. AGNES SPIER Sheffield

The oath doctors don't take

Sir: The Hippocratic Oath (letters, 2 April) is well known among doctors, and a copy hangs on the wall of the medical school where I graduated in the 1950s. But I was never asked to take the oath, and suspect that this is true of many and possibly most other doctors in this country.

More important, medical students are unlikely to derive their ethical principles from an oath, whether ancient or modern. They get them from their families, their teachers, their peers and their own experience, with a little practical advice from the General Medical Council thrown in for good measure. Professor PETER J SCHEUER London NW11

Zaire rescue

Sir: Your report that UN Secretary-General Kofi Annan has endorsed a plan for an all-African military force (21 March) is welcome, if long overdue. Hundreds of thousands of refugees currently fleeing the fighting in central Zaire needed an

international military intervention last October. Plans for such a force were well advanced when it was sacrificed for entirely political reasons.

The lie that these refugees had somehow ceased to exist has been exposed by, among others, UNHCR chief Sadako Ogata, who visited the Tigris/Tongt camp before it was overrun in February. Ms Ogata has described the situation in Zaire as the worst her agency had faced, and she has accused the international community of abandoning her staff (report, 26 March).

An international force – any international force – to alleviate the plight of these refugees is vital, but it must have both the resources and the resolve necessary to intervene in difficult and politically sensitive situations. JOHN O'SHEA Director Goal Dun Laoghaire, Co Dublin

Time's up

Sir: Having spent the best part of the morning of Easter Day running round the house like a maniac, hunting for instruction manuals in order to change the time display on clocks, watches, videos, computers, etc. I have concluded that the nonsense of summer time should be abolished forthwith.

The concept of making the whole nation jet-lagged may have been viable when most families had only one clock and, if wealthy, father had a wristwatch, but in a modern-day industrialised society its time has passed. BRIAN WORMBOYS Broomfield, Essex

Fool's gold in Nazi U-boats

Sir: Divers may be trying off the coast of Argentina to find a sunken U-boat with looted Nazi gold (report, 2 April) but it is unlikely that they will find anything.

The general idea of a "Fourth Reich" had been used by British Intelligence to fan American fears that the Nazis might find sanctuary in South America and undermine their traditional economic markets. FBI officers investigating this alleged "safe haven" eventually traced the source of the myth of Nazi treasure being sent to South America by submarine at the end of the war.

They discovered that it was largely the work of the British black propagandist, Sefton Delmer. His black radio stations broadcast the idea to German troops as part of an operation to undermine their confidence in their leaders.

This false story first surfaced in 1962 in a German newspaper, *Kölnische Rundschau*. It seems that Delmer's clever dirty trick is still doing the rounds. STEPHEN DORRIL Holmfirth, West Yorkshire

Way forward for bridleways

Sir: I sympathise with Stan Haynes (letter, 27 March) over what government and EU agricultural policies have done to the landscape. If the bridleway he mentions being ploughed out is a public bridleway he should be aware of the laws that should be obeyed by the farmer. It is an offence to plough a bridleway at all. It is a cross-field and the field cannot conveniently be ploughed without ploughing across the path. Even then, it must be restored within 14 days.

It is astonishingly difficult to persuade local authorities to enforce these laws, and many such paths and tracks are ploughed out each year. It is particularly tragic when an old trackway is ploughed out as a whole ecosystem of wild flora and fauna goes with it. CHRISTOPHER PADLEY Joint Secretary Lincolnshire Fieldpaths Association Market Rasen, Lincolnshire

Netanyahu owes us nothing

Sir: Anthony Moore (letter, 26 March) demands of Mr Netanyahu that he not "play his domestic politics to the detriment of our worldwide interests." Why? Has not the world (with the exception perhaps of the United States) played its domestic oil-related interests to the detriment of Israel for the last 50 years?

Mr Netanyahu was elected to safeguard the interests of Israel and the Israeli people. Looking back in history I cannot see any reason why he should be obliged to adapt Israel policy to the interests of the international community generally and Britain in particular. R WILLERS Wembley Park, Middlesex

Clear the train!

Sir: What I would like to see (Letters, 25 March) are "other people-free" carriages. TIM MCGRATH Cambridge

analysis

The Tory war of the thistles

In Scotland, the Conservative Party faces not merely the voters, but also its own army of malcontents.
Stephen Goodwin
 investigates the strange story of serial resignations

Scottish Tories are hoping that the selection of Paul Cullen, the seemingly upright Solicitor General for Scotland, to fill the sudden vacancy in Eastwood heralds an end to a nightmare of backstabbing and resignations. They may be lucky. Michael Forsyth, Secretary of State for Scotland, was at least able to launch his kilted version of the Conservative manifesto yesterday without being pressed on the personal "indiscretions" of erstwhile colleagues or the grisly consequences. None the less, the party hierarchy and staff at the headquarters in Leith remain in a state of paranoia. A glance back over the past 10 days suggests that they may have good reason.

It would certainly be instructive for Mr Cullen, as a newcomer to party politics, to investigate how he came to be chosen to fight the Tories' safest seat in Scotland. Though an advocate of 15 years standing, he will seldom have delved into a grubbier business.

Eastwood became vacant on Monday, 24 March, when Allan Stewart, a colourful former Scottish Office minister, decided not to stand in the south Glasgow seat he had held since 1979. "Ill-health" was cited, but weekend papers had blazoned allegations of a relationship with a married woman he met at clinic for drinks problems.

The next day, Sir Michael Hirst, chairman of the Scottish Conservative Party, was heavily tipped as the front-runner. He had been an MP from 1983 to 1987, and seemed to fit the bill, because Ian Muir, the constituency chairman, wanted a "high-profile politician".

After expressing the usual sympathies for the departing Mr Stewart and his "terribly difficult decision", Sir Michael made plain his own willingness to stand. But the Eastwood executive decided to wait 24 hours until the deadline for applications before shortlisting Sir Michael. And in the interim the knives went into the 51-year-old party chairman.

Mr Cullen would need all his prosecutor's skills to extract a confession as to who actually dialled the rabidots to rehearse a four-year old rumour of Sir Michael's gay liaisons. But the deed was certainly done, and presumably by one of those Tories described on Tuesday as "malcontents" by the new party chairman, Annabel Goldie.

The calls fell on fertile ground. The *Sunday Mail* and *Daily Record* were already working on the Hirst story, though neither had clinching photographic evidence. Believing that the story was about to break, the *Record* contacted Tory HQ and panic set in.

The only foe of Sir Michael actually to go public was the former MP Anna McCurley – like him a victim of the 1987 Tory wipe-out in Scotland. She said that she would rather see Donald Duck as the candidate in Eastwood than Sir Michael – a colourful outburst that damned her own slim chances into the bargain.

Their rivalry is longstanding and personal, though not ideological. Sir Michael is a middle-of-the-road pragmatist; McCurley almost a left-winger. In 1989, McCurley lost to Sir Michael in a bitter contest for the presidency of the Scottish Conservative Association, the voluntary arm of the party. Eight years later, she was not



going to allow him to walk off with Eastwood.

Although it is not known who is responsible, the malcontents' sabotaging Micky's chances at Eastwood seems deliberate – but forcing his resignation as chairman does not. "The plot got out of hand," said one Tory insider. "It went horribly wrong, though I don't think you will find many of his enemies pinning over his departure."

Sir Michael notified the Eastwood executive late last Thursday that he did not wish to pursue the vacancy, and next day invited three senior colleagues to his home near Glasgow to discuss his predicament. The three were Miss Goldie, then Sir Michael's deputy; Jackson Carlaw, who has now succeeded her; and Sir Adrian Shinwell, immediate past president of the voluntary wing.

Accounts of the meeting vary. The *Sunday Mail* painted a florid image of party chiefs working on a "shell-shocked" Sir Michael for hours to extract a resignation. The officers insist that the decision was Sir Michael's own, but they are silent about any advice he was offered.

Sir Michael's friends believe he fell on his sword out of a "boy-scoutish" sense of honour when more calculating politi-

cians – aka Neil Hamilton – would have delayed to see if the newspapers had sufficient dirt to finish him. "Micky is a superb motivator for the party, but in some ways he is rather naive," said one.

The weekend drama also saw the summary departure from party headquarters "by mutual agreement" of the press officer George Birrell, a confidant of Sir Michael's who had argued fiercely for the chairman to hang on.

Leadership fears of further embarrassment were heightened on Monday with claims by the gay rights group Outrage of a gay network within the Scottish party.

Peter Tatchell, the group's leader, said there was "considerable resentment" about the influence of the gay clique, and hinted at exposures. But Tatchell has made such threats before, to little effect; plainly the Scottish party has more to fear from its own malcontents than Outrage.

After getting through yesterday's manifesto launch without Sir Michael's name being mentioned – he was lying low in a holiday cottage in the Highlands – the leadership is hoping that the press has become bored with the affair. Though there does not seem to have been any direct ideological motive for the downfall of Sir Michael Hirst, Michael Forsyth and the Tory right in Scotland could emerge from the smoke and wreckage in a stronger position.

"Micky" is his distinctive tartan tie, was an engaging personality on the cheese-and-wine circuit, but no political soulmate of the right-wing Secretary of State. In Miss Goldie and Jackson Carlaw, Forsyth has natural allies at the head of the party machine. And in Paul Cullen, there is a right-inclined candidate fighting Eastwood, instead of a potential rival with skeletons in his cupboard.

A masterpiece of bungling

by Ross Harper

During election time any story connected with politics is even bigger and it is our misfortune in Scotland that its two recent stories could not have come at a worse time. Allan Stewart MP has been MP for Eastwood for a decade and a half. A former government minister on two occasions, he is respected within his constituency and throughout Scotland by Conservatives and opponents alike. A pleasant personality hides an extremely sharp brain – a First in economics at St Andrews University, no less.

Stewart fell foul of the drink problem – a fact that was known to many within the constituency – and those who knew rallied round to help. One would expect nothing less. He was given "secret" treatment at a clinic – in Scotland. But there is nothing secret in Scotland. A Sunday Scottish newspaper, while expressing sympathy in its editorial, was not sympathetic to any claims or suggestions of privacy. The world and his wife in Scotland were told.

While the publicity was unsettling there were no demands or even suggestions that he should resign his seat – indeed why on Earth should there be? And then it turned out that a relatively elderly woman whom he had met at the clinic was staying at his house. And why not? There was no suggestion of an improper relationship and I am quite sure that with alcoholics who are undergoing treatment a problem shared leads to a problem solved.

But whether or not the relationship was deemed to be improper was neither here nor there. The publicity was, as one now comes to expect, considerable and Stewart decided, rightly or wrongly, not to put himself forward for election.

Personally, I would rather he had left that matter to his constituency to decide. I am sure that, given the fact that he was an outstandingly good and respected MP, he would have been comfortably re-elected. His resignation, however, led to the second even more barrowing tragedy.

Sir Michael Hirst was a Member of Parliament for Bearsden until 1987. Unlike many of his Scottish compatriots who lost seats he did not turn his attentions to the quieter, greener and more conservative pastures of southern England but stayed

on in a vain effort to re-establish Bearsden as a Conservative seat. He was an extraordinarily good chairman of the Scottish party. No invitation was ever refused, no constituency unvisited and no audience too small. What I had always assumed to be a non-executive job became an executive one for him.

Rumours had circulated for a number of years about an indiscretion after his personal assistant was "exposed" in the first traditions of the British press by *The News of the World* in respect of other alleged homosexual activities not involving Mickey Hirst. Nothing but nothing was ever published because there was nothing but nothing to publish. The tragedy assumed *Romeo and Juliet* proportions when Allan Stewart resigned and the safest seat in Scotland became free. Some Conservatives who knew of the rumour were worried that if Hirst was adopted as a candidate for Eastwood the rumours of the past would surface. Others harbouring grudges campaigned against Hirst using such rumour and innuendo as had always been available.

One person in possession of the detail of the allegations told them to the party apparatchik in Scotland. It seems clear that some had not heard of the old rumours, which had been dismissed by most of us as fanciful, baseless and indeed irrelevant.

In any event a stage-two process unfolded. First of all Hirst saw the folly of taking a risk by going for Eastwood where he would, in my opinion, have been an excellent candidate and an outstanding MP. On the following day he was further confronted. A press phone call had been put into Central Office asking about the allegations, thereby suggesting that the press knew of them. Perhaps the person who had told the officers of the allegations had convinced himself (or herself) that the allegations were proven. Perhaps they were worried that they could be proven.

The real tragedy of this unhappy saga is that on current evidence Hirst need not have resigned since there was nothing more to the story but tittle-tattle. In resigning, however, he admitted a past "indiscretion", giving substance to the rumour.

Now how did all this come about? I believe that the person who originally gave the statement to the party apparatchik was doing so "for the good of the party". This stopped Hirst standing for Eastwood. Yet some would argue that if Hirst was open to a dramatic exposure then the story would be just as newsworthy against him as chairman of the party whether or not he was a candidate. There were others undoubtedly who did not want him to be a candidate, and they will no doubt have to answer to themselves in periods of reflection.

There is of course a third theory: that the whole matter was a conspiracy to stop Hirst at Eastwood launching a new political career for many, many years from that base. I reject that theory, however seductive it may sound. The suddenness of the timing makes it all rather complicated.

Conspiracy, care for the party or malice, it matters not – Hirst withdrew from Eastwood. However we have, in subsequent events, a masterpiece of cock-up. It was in no one's interest that Hirst should resign in disgrace as chairman unless we harbour Conservatives who wish us to lose the election as heavily as possible; and wipe Scottish Conservatism off the map.

The really ugly lesson for me is that after the events, some of those involved are still peddling stories of malice, intrigue and division within the party. For once I don't blame the press. It's no crime to listen.

How will this affect the Conservative Party in Scotland? As of yesterday *The Scotsman* showed that the Conservatives were to climb. The *Glasgow Herald* said the reverse. Personally, I do not believe that any of this nonsense will have an effect on the election of the party. The issue is not whether the chairman of the party had an indiscretion many years ago or whether Allan Stewart was wise in housing a woman in his house. Fortunately the electorate will address other issues and I, for one, avoiding the tartan tax in London, will resolutely vote Conservative.

Professor Harper is a former president of the Scottish Tories and has recently retired as president of the International Bar Association.

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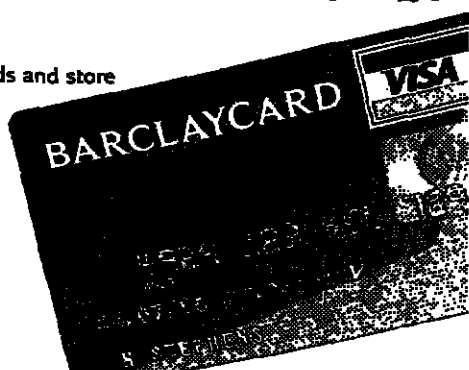
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Of teeth and glue and low-flying fingers

I spent half an hour the other day trying to rub superglue off my finger with a pumice stone. I had been trying to mend my son's toy plane. It's one of those planes you can wind up by twirling the propeller, but my son decided to cut out the propeller-twirling and just treat the thing as a glider, so he had been flying the poor plane into walls and trees until finally the tail section snapped off. He asked me to mend it. I remembered we had some superglue somewhere...

What I should have done, I suddenly realised as I rubbed at my finger, was to follow my dentist's tip. It was before Christmas that I last paid a visit to the dentist, a man I always enjoy chatting to as he has a fund of interesting opinions and facts which I can clandestinely recycle into articles. But during one of those enforced bouts of silence where he is concentrating on getting as many fingers as possible into your mouth, I found myself thinking about his gloves. I still haven't quite got used to dentists in gloves. Most professions get more

informal as time goes on. Chauffeurs scale down their uniforms and policemen look more casual. But dentists have recently taken to wearing gloves, for the somewhat chilling reason that they do not want to catch HIV infection from their patients (and we do not want to get AIDS from our dentists), and so they pull on these five-fingered contraptions before delving among our roots.

"What's it like having those gloves on all the time?" I asked him when first I could. "These?" he said, looking at them as if he had not noticed them before. "Oh, they're great. You get used to them very quickly." He leant inside my mouth again. When he came out, he said: "I wear them at home a lot."

"For the mucky side of family life, anyway. There are lots of things you do round the home which make your hands very dirty, meaning you have to spend hours with Swazega afterwards, but if you wear these gloves there's no



Miles Kingston

problem. Mucking around with the car engine, changing oil, clearing drains, anything messy – then chuck the gloves away... I suddenly thought of the last few times I had had to replace the chain on my bicycle, and how there is no way round getting incredibly oily hands, which is always embarrassing if you have to shake hands with anyone within the next couple of hours.

"Where do you get these gloves from?" I asked. "Man comes round selling them. Got piles downstairs. Want to buy a box? Could do you a special price..." And that is how I became the proud possessor of a box of 100 Latex Medical Gloves. Non-sterile, beaded cuff, ambidextrous, high tensile strength (I am reading from the box now), optimum sensitivity, single use, lightly powdered, made in Malaysia. Oh, and low protein. Why it is good for gloves to be low protein I do not know...

Since that day I have on several occasions had my bicycle chain come off in the middle of nowhere, and every time I have had the comfort of knowing that I am the sole owner of 100 medical gloves which would have been ideal for the job if only I had remembered to bring them with me, instead of leaving them at home.

So when my son came to me and said, "Dad, the tail's come off the plane again," it was but the matter of a moment to get the superglue and the medical gloves, and at last put them to good use. "Why are you wearing stranger's gloves, Dad?" I explained. He was impressed. He took another pair of gloves for himself, and tried to strangle himself. I got to work. Ten minutes later the plane was fixed. "You can fly the plane again now," I called. He gave up his strangling experiments, came and took the plane from my hands. As he took it away, a long finger came out from my hand and stretched with the plane. "Dad," said my son, "your hand is glued to my plane." "Not my hand," I said. "Only my glove! That was the whole idea! Clever, eh?" "Not if you're trying to fly it," he said gloomily. I have to say that it didn't fly very well with a latex glove screaming behind it, though it did look rather good in a surreal sort of way. Later we tried to peel the glove from the plane. Wouldn't come off. Damned good stuff, superglue. So we snipped and snipped, and now there's only a finger stuck to the plane. "Why is there a finger on your plane?" his friends ask him. "It's an on-board windsock," I have taught him to reply, but I fear his heart is not in it.

US report reveals: secrets need a short life cycle

Labour and Conservatives alike say they are in favour of open government. Yet Britain continues to have not only one of the world's strictest systems of classification for government documents, but more generally a climate of secrecy in which the burden of proof is on those who ask to see public records. The presumption is never in favour of those who want to know what really happened.

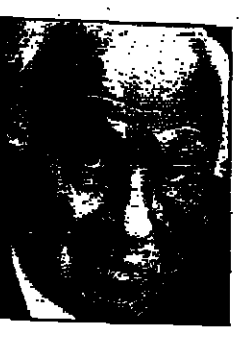
Recently both British political parties have been quick to borrow new ideas from the United States. Will they now adopt a strange Yankee notion: that the presumption ought to be that the people have a right to know unless it can be shown that there is a reason why public matters should be kept private?

The US is rightly seen as a model of openness in comparison with the choking pall of secrecy that hangs over Britain. Now in Washington a high-powered Commission on Protecting and Reducing Government Secrecy has just published a ringing call for even greater openness. It points to the dangers of the cult of secrecy created by two world wars, the nuclear arms race and the Cold War. And it concludes that "information should be classified only if there is a demonstrable need to protect the information in the interests of national security". Classifying documents as secret, top secret and the like should be kept "to an absolute minimum".

The report reveals that there are currently over 1.5 billion pages of records in government vaults that are over 25 years old and still classified. The commission, chaired by Senator Daniel Patrick Moynihan of New York, a Democrat, was made up of men and women from a wide variety of backgrounds, including the arch-conservative Republican Senator Jesse Helms of North Carolina; the veteran Democratic foreign affairs expert, Congressman Lee Hamilton of Indiana; John Deutch, the recently retired Director of the Central Intelligence Agency; and even - surely unthinkable in Westminster or Whitehall - a journalist, Ellen Hume, formerly of *The Wall Street Journal*.

The Commission proposes the creation of a National Declassification Centre, to declassify documents as fast as they are classified. And it suggests a "life cycle for secrets". Normally documents should not remain secret for more than 10 years, it says. In no case should they remain secret for more than 30 years, unless it can be demonstrated that actual damage would be done to specific individuals or to continuing government programmes by making them public.

The report includes an historical appendix by Senator Moynihan on how "a vast secrecy system" came into existence. From the time of World War I, Moynihan shows, the US recurrently faced espionage and occasionally



Godfrey Hodgson

Will Britain ever adopt the strange Yankee notion that the people have a right to know what their government is up to?

sabotage, often carried out by first generation immigrants, first from Germany, then from Russia, and later from elsewhere. This led to a "Hun within" syndrome, to measures designed to check loyalty, and ultimately to the witch hunts of the years after World War II. Where normally, Moynihan points out, the existence of secrets requires that they be defended, in the American experience, secrets came about because of the perceived threat.

The threat, and the secrecy, redoubled after the Bolshevik revolution of 1917. Evidence has recently been found in the Soviet archives, for example, that John Reed, the Harvard graduate who wrote *Ten Days That Shook the World* (made into the film *Reds*) was a Soviet agent, paid just over one million roubles on January 22, 1920 in gold, jewels and other valuables for Party work in the US.

Moynihan points out that the Cold War presented the United States with an "awful dilemma". "To preserve an open society," he writes, "it was deemed necessary to take measures that in significant ways closed it down. A culture of secrecy evolved."

There are striking examples of the dangers of secrecy, even in the relatively open atmosphere of Washington. In 1957, for example, the "Gaither report" predicted that there would be a "missile gap" between the US and the Soviet Union in the early 1960s. "The missile gap turned out not to exist, but the aftermath of a massive scare, echoed on and on, affecting US strategic thinking and swelling defence budgets for decades."

"The Cold War is over," the Senator writes. "Yet this most pervasive of Cold War era regulations persists." There is massive over-classification of documents, and "the principal concern of the classifiers is not with national security but with governmental embarrassment of one sort or another."

The perpetuation of Cold War secrecy, Moynihan argues, is not only expensive and absurd; it is dangerous. "The United States will be best served by the largest possible degree of openness." To do otherwise, he says, "is to invite preoccupation with passing conspiracy, after all we have sacrificed in this century to destroy sustained conspiracies that might very well have destroyed us."

As so often, the apparent parallels between Britain and America are deceptive. If American secrecy has reflected an immigrant society's paranoia about loyalty, British secrecy results from the instinctive assumption of a governing class - politicians and civil servants alike - whose democratic instincts are weak, that what is done in our name is none of our business. Will Tony Blair's Labour understand any better than Harold Wilson's the fearful cost we pay in many ways for keeping what is happening in our society from ourselves?

The last testament of a hollow man

by Polly Toynbee

This manifesto is the Prime Minister's last will and testament and it bears every hallmark of the Major years, starting with his own picture on the front cover. Waiting for his grand entrance on manifesto day was a time to meditate on that familiar physiognomy, for it will soon be gone.

His lips, through which he squeezes out those near autistic verbal felicities and jumpen clichés, look even more tightly clenched than before. His so ordinary face beams with that same unexpected vanity: how often in the past people mistook his modest accomplishments for modesty. In the end, ambition was all that propelled him: now with the party all about him in ruins, it is all that sustains him.

The music stops. Out steps the man. This is not a One Nation campaign, but a One Man campaign: he alone at the podium, his Cabinet not on the platform but relegated to the darkened front row of the press conference. From now on, it is he alone on the soap box, lonely captain of his sinking ship, his rudder snapped, a lone believer that he can still win. For the rest of them it's *save qui peut*, every man for himself with the lifeboats rowing hard for the horizon.

Here in this manifesto, we have the man's own last signature, with all his failings and disappointments intact, the quintessential Major in style, form and lack of content. The vision thing was never in him. Instead he offers a little dull tinkering, a little meanness (though nothing savage), more of the same on every front - an idea-free zone tailored to please (but not enough) the selfish instincts of his lost Middle England. His demise will not reach the great tragic heights of the fall of the House of Thatcher: in this manifesto he departs with a whimper.



The vision thing was never in him. Major offers dull tinkering, a little meanness - an idea-free zone to please Middle England

Looking back, there is disappointment, oh yes, for I was among those who welcomed his victory as leader with some enthusiasm. When the cacophony and constant revolution of the Thatcher years ended itself and the Iron Lady was laid low by hubris, the sight of plain, ordinary John was welcome balm. Here at last came a sane, pragmatic type to operate the reins and drains. His very verbal incapacity, I thought, bode well, delivering us from the high flow rhetoric and the dangerous religious fervour of both

left and right during the Eighties. John the Bank Manager would suit us well, do the nuts and bolts and let everyone else get on with the more important things in life - work, children, love, art, sport, whatever. More than that, he made two good promises: he would put Britain "at the heart of Europe" and give us a classless society. "A nation at ease with itself" was a delightful phrase, the only seductive words of his entire career, healing and reassuring.

What is left of all that now? A country further at the edge of

Europe with a populace which has been dangerously and deliberately misled on that key issue in cynical pursuit of electoral gain. At ease with itself? No, a nation more divided between haves and have-nots than at any time this century. Three times more people truly poor: the poor actually poorer, and the rich much richer. The grosser tax gains and bonuses of the fat cats offend even those without a shred of socialism in them. At the same time the abject poverty of millions spills out to frighten those who have done well, the majority who

should and could be enjoying the 33 per cent real gains of the past 18 years if only they felt better about it.

Here is a country so uneasy with itself that it does not even trust the colour of the money the present boom has put into its pockets or the glowing economic indicators flashing up on its screens. Sleaze stories and family values hypocrisy might have been shrugged off by an electorate less filled with distaste for the politics of the Nineties. For the conviction politics of the Eighties were not replaced by a new efficient

managerial era, but by a time of no conviction about anything, cynicism in high places, so value-free it was blown off course by any puff of contrary wind. The moral of John Major's fate is that leadership matters more than the pork barrel.

So how does his last testament read? Its prose and its promises are as elevating as the prospectus of a building society about to float on the Stock Exchange. Low bribes and emoluments offer large sums to those with most money, smaller sums for small savers, nothing at all for those with nothing. It's the old True Blue war-cry, "To them that hath shall be given!" If that is, you are inclined to believe it, for here is a measure of fantasy finance to take your breath away. Captain Major is leaning over the edge of his tilting ship waving worthless IOUs to anyone who will save him.

The manifesto's Big Idea is small and dishonest. This same government which halved the married couples allowance now gives some of it back. Worth some £18 a week to two million couples, it will go to very few of the poorest working people and the richest will benefit most. It is a feeble sop to family values, excluding the one third of children not living in married households. If the aim was to help those struggling to care for children and invalids, increasing carers' benefits and children's social security would have done the trick.

For the rest, the manifesto is thinly packaged with old ideas. Schools will be prodded into more local management, and more housing estates will be handed over to housing associations or private hands (a policy which has signally failed through many previous attempts to get it right). The promise on insurance to cover care in old age is either far too expensive or worthless. The promise to cut inheritance and capital gains tax is a large gift to the very rich. The promise to reduce income tax to 30p will do nothing for the six million poorest employees.

The manifesto blazes the Government's "Golden Bequest" - economic success that is indeed impressive. It ought to be dazzling enough to win a thundering great majority for any government. Why isn't it? Because in the end, money isn't everything. The writing of this manifesto shows how little John Major has understood the scale and reasons for his failure, how little he ever grasped the writing on the wall.

ling

ingers

Irony is one of those journalistic words which becomes as worn as a piece of soap in a cheap hotel. This week, for the first time in 10 years, I went to Strasbourg, one of my favourite cities (a city in which I have often had recourse to worn pieces of soap in cheap hotels). I experienced something with so many layers of crude irony, that it might have been scripted for a television movie.

In a town which has been fought over by the French and Germans for several centuries, I saw young French men and women and young Germans fighting side by side. To be precise, they were, in the spirit of anarchic European unity, smashing up kerbstones and hurling them at the CRS, the French riot police. They were doing so (supposedly) to protest against the semi-submerged racism and anti-semitism of Jean-Marie Le Pen's National Front. The battlefield they chose - without thinking about it or, as far as I could see, about anything other than their evening's entertainment - was next to the Synagogue of Peace on the Avenue of Peace. The battle was all over in less than five minutes. The fashionably black-clad young French and German anarchists scattered at the first baton and tear gas charge by the CRS - themselves fetchingly attired in a new design of felt-lined, smoke-blue helmets.

I was triply annoyed with the Benetton and Gap anarchists. They had broken with the spirit of an otherwise peaceful demonstration against the NF national congress. They had given the odious Le Pen - a malevolent clown - something to brag about the next day. And, if I am honest with myself, I was most disappointed that, after I had stumbled on the scene at just the right moment, they did not provide me with a better punch-up and a better story.

It would happen in Strasbourg. Brussels is a famously surreal city, appropriately the home of René Magritte, but Strasbourg, the other Euro-capital, is also given to the surreal. It is an oddly attractive Franco-German mongrel: a mixture of German jolliness and French wit, Strasbourg food, more importantly, has French quality and German

john lichfield paris diary

While designer rioters clash with police in the surrealist streets of Strasbourg, the naked truth, outwitted by a caramel bar, goes on trial in Meaux, one of the cheese capitals of the world

quantity. I first went there in 1980 to cover the European Parliament and went back often over the next seven years. The Parliament, with all its pretensions and barminess, was an intriguing place. The different nationalities of the EU were tipped out of the isolation of their comfortable Brussels homes and offices and pitched together for a week at a time. Strasbourg, as I knew it, was a place of weird political alliances, impossible cross-cultural friendships and ill-advised affairs.

It was epitomised by Bang the Bells, a bar and restaurant in the gloomy backstreets near the station, patronised by French stage-criminal types. It was run, with a tongue of iron, by a rotund middle-aged lady in an eyesight-threatening nylon dress. I have forgotten her name. I have forgotten the real name of Bang the Bells, if I ever knew it.

It had been colonised by Irish Euro MPs and, up to a point, British Labour members, then in the full rage of socialist Euro-scepticism. Mostly the cross-cultural relationship in Bang the Bells was Franco-Irish. It was called Bang the Bells because you had to ring to get in after a certain hour.

Karaoke was perpetrated in Bang the Bells long before the word entered the English language. One night John Hume, the leader of the SDLP, was obliged to sing, in a fine quavering baritone, "The Town I Loved So Well". Another night Frank Cluskey, Dick Spring's predecessor as the leader of the Irish Labour Party, a sweet bear of a man, was approached by an Irish visitor. "Mr Cluskey," she said, "is this how socialists eat?" Frank looked down at what was a perfectly normal gargantuan Strasbourg meal. "Yes, missus," he said. "Through my gob like everyone else."

After the riot *manifeste* on the Avenue of Peace, I walked into the city centre. Its narrow old streets had been wholly occupied by roving gangs of French and German kids from that day's demonstration. They were smashing the occasional window, lighting bonfires, playing tom-toms, juggling with clubs, rolling joints. It was like being in a medieval city which had just been stormed by a foreign army.



French and Germans march together against Le Pen Photograph: AFP

The Strasbourggois were nowhere to be seen on the streets but were, mysteriously, occupying their normal places in all the restaurants. I joined them happily for a while. Afterwards, I was drawn by migratory instinct towards Bang the Bells. I knew it would not be there. Madame of the lurid dresses did a runner years ago. Some misunderstanding about tax, apparently. I found what I believed to be the historic site. It is now occupied by a perfectly ordinary-looking fornicia and aluminium bar. Ah, the town I loved so well...

Meaux is a dull town east of Paris best known for cheese (it is one of the capitals of the Brie country). It risks becoming more famous later this month for a court case, a riddle found in a caramel bar, and a middle aged philosophy teacher who stripped naked in front of his pupils.

Bernard Defrance, 51, faces a stiff fine and possibly the sack. He deserves, in my opinion, the *Légion d'honneur*. His classroom striptease was an act of immense courage, performed to encourage his pupils to think for themselves (something which the French are beginning to realise that their technically excellent but rigid school system does not do often enough).

To jolt his students out of conven-

tional thought patterns, Mr Defrance has for 30 years, without previous complaint, played a game with his 18-year-old pupils called "strip-philosophy". He has even written a book about it. Willing candidates have to answer questions on the theme of "Qui suis-je?" (Who am I?). If they get a question wrong, they remove a piece of clothing. At the insistence of his students, Mr Defrance also takes part.

In November last year, a pupil came up with a riddle he had found on the wrapper of a caramel bar: "Je suis Sophie, mais je ne suis pas Sophie. Qui suis-je?" (I am Sophie but I am not Sophie. Who am I?). Mr Defrance could not solve the riddle and ended up naked. One of the other pupils complained to his parents. They complained to the police.

The key to the riddle is that it is a pun on the verbs *être* (to be) and *savre* (to follow). The question can also be understood as: "I follow Sophie but I am not Sophie. Who am I?" The answer is: "Sophie's dog or Sophie's lover." Mr Defrance faces the court case on 21 April with Socratic equanimity. He is ashamed, he says, of only two things: that he did not realise that one of the students was uncomfortable with the game; and that he, a teacher of philosophy for 30 years, was defeated by a riddle from a sweet bar.

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Saudi prince takes 5% stake in ailing Apple

David Usborne
New York

Saudi Arabia's Prince al-Waleed bin Talal, the billionaire mogul famed for putting his dollars in enterprises that are down but not out, stunned the computer world yesterday revealing that he had bought 5 per cent of Apple for \$115m (£70m).

The investment represents yet

one more intriguing twist in the ceaselessly suspenseful saga of Apple Computer, the once-revered pioneer of the home PC that recently has been brought to its knees by Bill Gates' Microsoft.

It comes on the heels of the revelation last week that Ralph Ellison, the unpredictable chairman of Oracle Software, was considering building a coalition

of investors to make a bid for control of Apple.

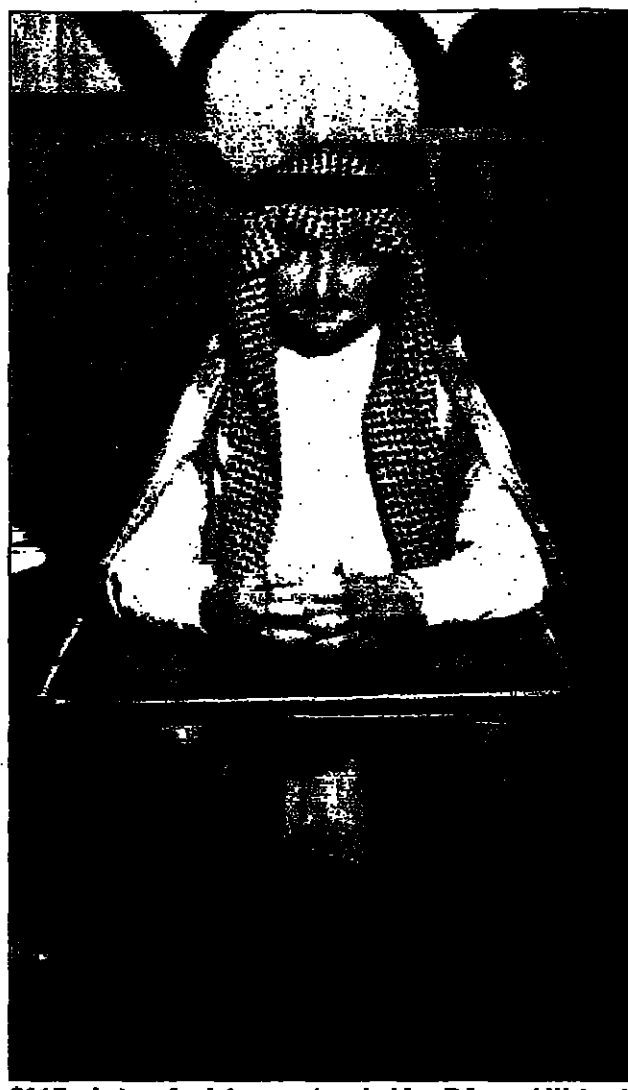
The news will also turn the spotlight once more on Prince al-Waleed and his investment activities. Only two weeks ago he caused similar astonishment by buying a 5 per cent stake in another Titan of American industry that has assuredly seen better days: Trans World Airlines.

The Prince, who is a nephew of King Fahd, controls from his Riyadh base an ever-expanding portfolio of investments that includes hotel chains, entertainment and broadcast empires and development properties. Also last month, he announced the acquisition of 5 per cent of Norwegian Cruise Lines. Earlier this year, he purchased the luxurious George V hotel in Paris.

Speculation will be fuelled on what his next target might be. There has been industry gossip for some weeks, for instance, that he might attempt a rescue of Fokker, the ailing Dutch plane maker.

The Prince's special hallmark, however, has been giving the benefit of the doubt to large businesses that have stumbled into trouble. Most spectacularly in that regard he made large investments at moments of critical difficulty in the Canary Wharf development in London's Docklands and in the Euro Disney theme park outside Paris.

His foray into Apple and the manoeuvrings of Mr Ellison may not be in conflict with one another. Mr Ellison has made



\$115m bytes: Apple's new shareholder, Prince al-Waleed (left) and its embattled chief executive Gil Amelio

plain that he is not interested in owning Apple outright but in building a controlling 51 per cent stake. Wall Street would like nothing more than for Mr Ellison - or anyone for that matter - to succeed in buying Apple.

All the while, the news from Apple seems only to get worse. Its embattled chief executive of only 13 months, Gil Amelio, recently announced plans to lay off about 30 per cent of its remaining payroll - 4,000 workers - in an effort to restore profitability.

In the last five quarters, Apple has lost almost \$7bn and is

expected this month to report a further quarterly loss of about \$700m. The rot set in as the company suffered a drastic erosion in its market share in the face of the combined juggernaut of Microsoft's operating software and Intel's chip technology.

"I have been following the technology industry for quite some time, and Apple in particular for a number of months," Prince al-Waleed said in brief statement yesterday.

"I believe there is serious potential for Apple to provide large returns to its stockholders

once again, as it did in the past." The Prince, whose grandfather was the founder of Saudi Arabia, Ibn Saud, said that he was aware of the activities of Mr Ellison and added that he will "monitor events closely" to see what comes of them.

Displaying his unusual flair, Mr Ellison has invited current Apple stockholders and other interested parties to offer their opinions on his takeover project by conversing directly with him via e-mail.

The wisdom, meanwhile, of the Prince's TWA investment has not yet become apparent. In

the few days after acknowledging his 5 per cent stake into the airline, it has been hit by suggestions from its own firm of auditors that its future viability as a going concern must now be in question. On Tuesday, the carrier said it anticipated first-quarter losses that would "significantly exceed" those of a year ago.

Last year, the Prince also acted against the normally conservative traditions of the Saudi royal household by forming a joint venture with Michael Jackson to co-operate on concerts, films, television and fun parks.

Orange pips rivals in mobile race

Chris Godsmark
Business Correspondent

Orange, Britain's youngest mobile phone network, yesterday showed it has outstripped its rivals so far this year in the race to sign up customers, as Cellnet slipped further behind.

Three networks - Orange, One2One and Cellnet - followed the lead of Vodafone earlier this week in releasing customer numbers for the first three months of the year. They show the two older networks, Vodafone and Cellnet, have been growing more slowly than Orange and One2One, raising doubts about their marketing strategies.

Orange's subscriber base increased by 109,000 between January and March, a much stronger rate than analysts had forecast, bringing total customer numbers to 894,000. The group also revealed that churn, the rate at which customers leave the network, rose slightly to 19.1 per cent from 18.6 per cent in December. Orange shares rose 1.5p on the figures, to 207p.

The real surprise came from One2One, the company jointly owned by Cable & Wireless and US West. It grabbed the number two spot in the growth league by adding 75,000 net new subscribers in the first quarter, taking customer numbers to 620,000. The statistics vindicate the network's expansion strategy under its recently appointed managing director, Jan Peters. An extra £1bn is being invested to raise the network's coverage to 80 per cent of the UK, while an estimated £20m has been spent on television advertising.

The One2One numbers easily beat those from Vodafone, released on Tuesday, which showed net subscriber growth of 67,000.

Cellnet trailed well behind its rivals, growing its customer base by just 12,000 in the first three months of the year to 2.7 million. The company, 60 per cent owned by British Telecom, blamed the figures on changes to contract terms which had reduced customer notice periods to one month.

Analysts also said customer discount packages had backfired. Jim McCafferty, from stockbrokers Hoare Govett explained: "The lesson for Cellnet is there's no point in adding customers today if they're going to leave tomorrow."

GEC puts in bid for Thomson's defence wing

John Lichfield
Paris

GEC, the electronics and defence group, has caused consternation in Paris by declaring a formal interest in buying Thomson-CSF, the defence wing of the French state-owned electronics conglomerate, Thomson SA.

The French government, already acutely embarrassed by the collapse of a previous attempt to privatise the entire Thomson group, finds itself back at square one. It began the whole Thomson privatisation process early last year to block

an alliance between its defence wing and GEC.

In its classically Gallic attempt to privatise the group while controlling its ultimate destiny, the French government finds itself hoist on its own petard. Paris made it clear last month that it wanted the military electronics division of Thomson to be paired with another stage of an anticipated restructuring of the country's military-industrial complex. It left open the possibility of a bid for its 58 per cent share in Thomson-CSF by a European company, in order

to avoid upsetting the European Commission or its EU partners.

But it let it be known that other European companies would do better to stay out of the bidding and try to form strategic alliances with the reshaped French industry. British Aerospace is known to have been unhappy with this formula, fearing that Paris wished to steal a global march on its EU partners by creating a kind of Franco-Military-Industrial Inc. A spoiling bid from GEC - if this is what it is - was not anticipated, however.

Although neither the company nor the French government would make a formal comment, it was widely reported in Paris yesterday that three declarations of intentions to bid had been received by last Friday's deadline.

One came, as expected, from the Lagardère group, owner of the Matra missiles, space and telecommunications company, which was the senior partner in the wider privatisation deal which collapsed in December. The second came from the other officially recognised French bidder, the space and telecoms company Alcatel Alsthom. The third came from GEC.

The French government must announce tomorrow which of these preliminary bids it intends to entertain. Final bids, with firm figures, must be received by 7 May. Thomson-CSF has a turnover of £4bn. The government's 58.4 per cent stake is valued at around £1.3bn.

In London shares in GEC rose strongly on the Thomson bid reports. They closed 7.5p higher at 383p, making GEC the best-performing blue chip yesterday.

If the French government simply refuses to accept the GEC bid the British company could complain of unfair national preference, leaving Paris to face a potentially awkward investigation by the Brussels Commission.

Sources in the French defence industry were speculating yesterday that GEC's move was tactical. They said the British company, which already shares ownership of Matra Marconi with Lagardère, and has a joint venture with Alsthom, might just be underlining its interest in further alliances with the French defence industry.

By putting in a bid, which the French government would have to handle with tact, it might strengthen its chances of making deals with whatever military-industrial structures emerge from the byzantine Thomson privatisation process.

The first attempt at selling off the entire Thomson SA group was halted in December after the French privatisation watchdog objected to the terms. Under the first deal struck by the government, the defence company would have gone to Lagardère, which would then have relinquished the ailing consumer electronics company, Thomson Multimedia, to Daewoo Electronics of South Korea.

Comment, page 23

MMC calls in watchdog over investigation into British Gas

Chris Godsmark
Business Correspondent

The gas watchdog, Ofgas, has been called back for a last-minute hearing before the Monopolies and Mergers Commission as part of its investigation into British Gas's pipeline charges, making it almost certain that the MMC's conclusions will not be made public until after the election.

The news is likely to fuel already intense speculation in the industry that Clare Spottiswoode, the industry regulator, has failed to win MMC support for her controversial plans to slash BG's pipeline charges, cutting £30 of average annual gas bills for domestic customers.

BG, which mounted an unprecedented public campaign

against the proposals, has claimed it will reduce its revenues by more than £400m a year, making it almost impossible for the company to pay dividends to shareholders.

The speculation, boosted by BG's share price yesterday, which gained 3p to close at 164.5p in heavy trading.

Ofgas yesterday confirmed that officials, likely to include Ms Spottiswoode and her chief economist, Eileen Marshall, have been asked to return to the MMC to give further evidence on Tuesday. The move suggests the final report, which will run into hundreds of pages, will be delayed although the MMC was not available for comment.

The hearings, were thought to have finished.

An Ofgas spokesman said: "The MMC have requested another meeting with us. We're obviously more than willing to oblige." He denied that the move suggested the MMC was unhappy with Ofgas's case. "This is a two-way process. We are just doing our best and helping the MMC when they ask us for further information."

The completed MMC report was due to be handed over to the regulator on Monday 14 April. Both Ofgas and BG have privately admitted that even if the document was handed over within this deadline, it would not be made public until after the general election.

The head of one independent gas supply company, who did not want to be named, said the additional hearing suggested

that BG was likely to come out of the MMC process, which the group investigated, in better shape than Ms Spottiswoode. "If BG get the cuts in charges reduced by more than half the Ofgas figure then they will claim it as a major victory."

Another industry source who attended one of the MMC hearings said: "The panel consistently referred to BG shareholders as 'Sids'. If the MMC's task is to decide what is in the public interest, then talking about Sids suggests they interpret that phrase in terms of shareholders as well as consumers, which of course is good news for BG."

Supplier goes bust after TransCo bill

One of the longest established independent gas suppliers has gone bust, the first company to collapse since British Gas introduced tough new rules for use of its pipeline network last year.

Bel Gas, which had signed up 4,500 mainly business customers from its office at Brent Cross in North London, called in the receivers on 22 March after running up undisclosed debts. Its annual turnover was believed to be approaching £10m.

A week before the management called in the receivers Bel was understood to have received a substantial bill from TransCo, the British Gas pipeline division, for problems with "daily balancing".

Last September suppliers using the TransCo network had to accurately match how much gas they put in the system with

demand from their customers. If the sums did not add up at the end of the day they faced punitive charges to buy or offload gas. TransCo confirmed it was owed cash by Bel, though sources denied rumours the bill was for almost £400,000.

Ofgas, the watchdog, said none of Bel's customers had been cut off because the supply base had been taken over by another supply gas company, Quantum. It also emerged that Quantum, which is a creditor to Bel, bought the customer base just before the receivership.

The oil giant Esso is also thought to be owed money from the collapse, along with Barclays Bank. Bel Gas was created in 1993 after the opening up of the commercial market to competition.

Investment at Unipart 'cut if Labour wins'

Chris Godsmark

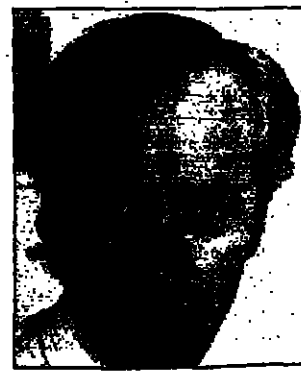
John Neill, chief executive of the Unipart car components group and one of Britain's most outspoken industrialists, yesterday threatened to curb his investment plans if a Labour government implemented its policy on trade union recognition.

Mr Neill, a fervent supporter of Thatcherite union policies, also claimed that a high-profile speech by Labour leader Tony Blair in the Far East last year, advocating a stakeholder economy, was based on one of his own speeches.

Launching a typically scathing attack on Labour's employment policy, Mr Neill labelled the party's plans to force employers to recognise unions, which he said were part of a drive to implement the European Social Charter, as "foolish" and "a step backward".

The policy states that employers should recognise unions in individual factories if a majority of staff votes for it. Referring to recent moves by Unipart to invest more than £90m in four joint ventures, Mr Neill warned: "We would not have made this investment if we'd had the Social Charter. If we revert to that mindset it will have a profound impact on our forward investment plans."

Though Mr Neill's opposition to union recognition is well known, Unipart has a strong reputation for encouraging employee involvement, including its much publicised "University" for staff training. Unipart



John Neill: Threatened to curb investment plans

this year donated £50,000 to Conservative Party coffers. The most surprising claim was that Mr Blair had copied a speech by Mr Neill urging employers to adopt the vision of a stakeholder economy, a concept long advocated by the privately owned Unipart group. "That speech was based on one of my speeches, Peter Mandelson told me that," Mr Neill said.

A veteran of union disputes during a spell at British Leyland in the 1970s, he said: "I'm not anti-union, I believe we've done things which mean there should be no need to have a union."

Asked whether Labour's policies had become more friendly to the business community, Mr Neill said: "Blair has done a good job of leading his party but it's by no means clear whether he can run a complex economy. I suspect there are a lot of things we don't know about Labour's policies."

STOCK MARKETS									
Dow Jones									
Index	Close	Day's change	Change (%)	1996/97 High	1996/97 Low	Yield (%)			
FTSE 100	4236.80	-11.80	-0.3	4444.30	4056.60	3.80			
FTSE 250	4507.30	+9.90	+0.2	4729.40	4409.40	3.54			
FTSE 350	2091.70	-3.50	-0.2	2194.30	2017.90	3.76			
FTSE SmallCap	2294.55	+4.22	+0.2	2374.20	2179.29	3.04			
FTSE All-Share	2094.45	-2.92	-0.1	2193.94	1989.78	3.69			
New York	8553.64	-57.41	-0.7	7085.16	5032.64	1.89			
Tokyo	18097.30	+182.71	+1.0	22866.80	17303.65	0.897			
Hong Kong	12136.32	+92.13	+0.8	13859.24	12074.19	3.451			
Frankfurt	3301.51	+5.58	+0.2	3460.64	2848.77	1.681			

Source: FT Information

INTEREST RATES									
Short sterling									
Index	1 Month	3 Months	6 Months	1 Year	2 Year	3 Year	4 Year	5 Year	10 Year
UK	6.06	7.00	7.67	8.18	7.75	8.28			
US	5.86	6.25	6.89	6.38	7.09	6.89			
Japan	0.56	0.72	2.18	1.75					
Germany	3.12	3.31	6.01	6.44	6.73	7.24			

CURRENCIES									
\$/£									
Index	Yesterday	Change	Year Ago						
\$ (London)	1.6446	-0.21c	1.5265						
\$ (NY)	1.6445	+1.15c	1.5270						
DM (London)	2.7489	-0.25c	2.5372						
¥ (London)	201.322	-1.27c	163.030						
£ Index	98.6	-0.1	83.4						



Conservative and Labour are going to find it exceptionally hard to stick within present spending commitments, and that's without any of the new pledges contained in yesterday's Tory manifesto and the likely promises made in today's Labour manifesto

Manifestos promise much but tell you nothing

It is hard to see how Gordon Brown and Alastair Darling get to their £15bn global cost-of-the-Cross-party Party Manifesto. Even factoring in the pledges anticipated by Labour but not actually in the manifesto — such as outright abolition of capital gains and inheritance tax — the figure looks like an exaggeration. The City is right to take a relaxed view.

Furthermore, the manifesto as it stands actually offers few clues as to the effect of all those tax and spend commitments on the public finances. Whether the cost of the new transferable allowance is £1.2bn (Conservative) or £5bn (Labour), it matters not a jot to the overall shape of the public finances. And whether the 20p basic tax rate is an "aspiration" or a "commitment", its £6bn cost could easily be absorbed simply by leaving allowances unchanged for a while. Clever things, manifestos. They promise much, but they tell you nothing about how the books are going to be balanced to pay for it all.

It will be Labour's turn today and the story is likely to be a similar one, only in rather more alarming form. There will be lots of commitments, Central Office will wildly exaggerate their likely cost, and the manifesto will say nothing about how they are to be paid for. Conservative and Labour — are going to find it exceptionally hard to stick within present spending commitments, and that's without any of the new pledges contained in

yesterday's Tory manifesto and the likely promises made in today's Labour manifesto.

Indeed public spending plans as laid down in last November's Red Book are already unrealistically tight. Despite the fact that both parties are committed to real increased spending on health, the Red Book envisages no real growth in each of the next two financial years in spending of the National Health Service. In reality, spending on the NHS will continue to rise in real terms, whatever the Government does to cap it. That extra spending is going to have to be paid for with deeper cuts elsewhere. Add in the new commitments now being entered into and if either party were as good as their word, then they would have to kiss goodbye to what remains of the road-building programme and a lot more besides.

Alternatively they could allow borrowing to rise above Maastricht limits or just raise taxes. Labour or Conservative, the latter is all too likely to be the option chosen.

GEC's Thomson bid is an important test

It will mark GEC for calling the French government's bluff and putting in a formal bid for Thomson CSF GEC was told very firmly not to bother, for what France wants to do is both have its cake and eat it — flog off the government's remaining 58 per cent stake in Thomson but have the company ab-

sorbed into some French-owned industrial complex which remains at the beck and call of the state. All very Gallic.

Unfortunately for France, there is now such a thing as the European Union, and even if France doesn't much like that British invention, Le Single European Market, it must abide by its rules. These require that even in defence-related matters, all Europe is one, at least in so far as bidding battles are concerned.

GEC, the unwanted outsider, must therefore be allowed into the auction. And just in case the French planned to bury the bid without fair consideration, GEC's interest has now leaked. Whether this was by design or otherwise, the publicity certainly won't do GEC's cause any harm. The cause of European integration and fair play will meanwhile be given a powerful shot in the arm.

Since GEC is saying nothing about any of it, it is hard to tell precisely what its motives are here. It may well be that the bid is merely being used as a negotiating lever to extract the best of any alliances on offer with the French defence electronics industry. For the moment, however, we have to assume GEC's bid is for real and it really wants to buy Thomson. Certainly such a deal would make eminent sense and given the level of consolidation that is going on in the US, it is also probably vitally necessary.

Britain's two leading defence companies, GEC and British Aerospace, are very much at the forefront of moves to mirror in

Europe what is happening in the US. To date they have been blocked by the intransigence of Europe's national governments, which on the whole still regard defence as a no-go area for integration. France, the leading offender, but others too, could hardly be more shortsighted in their approach. Without cross-border mergers, Europe's defence industry is going to flounder and die, outclassed and outbid in world markets by the emerging US behemoths. Domestic orders alone will not be enough to sustain these companies if they are to remain competitive.

GEC's bid for Thomson could prove an important test, not just of the robustness of European competition policy in the face of powerful national opposition, but also of the willingness of nations, when push comes to shove, to accept full industrial integration.

Cruickshank may be the only survivor

What to make of the latest machinations at the Monopolies & Mergers Commission over the gas pipeline charges row, probably the most highly charged dispute between regulator and utility in the short history of privatisation? The fact that Clare Spottiswoode, the regulator, is being asked to give more evidence to the MMC at such a late stage does not look good for her, though it is just possible this is a formality. If the MMC sends Ms Spottiswoode away

with a bloody nose, she would surely have to resign, her reputation as the consumers' champion and her partial success with the first phase of domestic gas competition counting for naught. But she may have to go anyway. In recent weeks she has been castigating Labour's windfall tax, hardly a wise move if she wants to stay in the job.

As a Labour administration moves ever nearer, the chances of a regulatory bloodbath grows. Labour has made no secret of its unhappiness with Professor Stephen Littlechild, the electricity regulator. With the strong possibility that domestic power competition will degenerate into farce next year, the Party may well bring forward its plans to merge the power and gas regulators into one. Industry gossip suggests Dieter Helm, from the consultancy group Oxa, could be in with an outside shot.

And what about Ian Byatt, at Ofwat? Scarcely a day goes by without another tough Ofwat statement criticising water company excess, but few expect this has done enough to repair the animosity between Mr Byatt and Labour's environment chief, Frank Dobson. Which leaves, er, just Don Cruickshank at Ofcol. Past experience, including many an impressive spat with British Telecom, suggests he will land on his feet. Of the bunch, Mr Cruickshank stands the best chance of survival. And for a change, it won't be cronyism that saves him. His reputation as an excellent regulator, steering a demanding but never excessive course, is well earned.

Airbus gets British Midland order

Randeep Ramesh
Transport Correspondent

British Midland, the country's second-largest scheduled carrier, placed a £600m order yesterday with Airbus Industrie, the European plane maker, to replace 20 jets in its fleet. The airline, which has never before bought jets from the European manufacturer, will take delivery of the first planes next year. British Midland plans to replace most of the older Boeing 737 jets in its 35-strong fleet. The order will bolster Airbus's order books and is the largest placed by a British company with the European aircraft consortium.

The Derby-based airline ordered eight A321s with 196 seats and 12 A320s with 160 seats and will take delivery of the jets over the next five years.

The Toulouse-based aircraft maker is a consortium owned by Aerospatiale of France and Daimler-Benz Aerospace, which both own 37.9 per cent, plus British Aerospace, which holds 20 per cent and Spain's Construcciones Aeronauticas SA with 4.2 per cent.

The Airbus aeroplanes will hold more passengers than the Boeing 737s and smaller Fokker and Saab aircraft now flown by British Midland.

British Midland was not able

to say which other jets would be phased out when it started flying the Airbus aeroplanes next spring.

Sir Michael Bishop, chairman of the privately-owned carrier, said the deal was significant because it was the first time the airline had broken away from its traditional supplier, the American giant Boeing.

Sir Michael was careful to point out that the decision to use Airbus did not signal the end of the airline's relationship with Boeing.

"We decided on a policy of having both Airbus and Boeing. We are not dropping Boeing and we will be adding

more Boeing aircraft in future. In the past we've been almost exclusively customers of Boeing."

"But for technical and financial reasons we went for Airbus. The Airbus A321 was suited to our short-haul routes and the financial terms were more favourable."

Industry observers also pointed out Airbus had benefited from a strong American dollar. "Airbus has become a lot more competitive in the past year basically because the dollar is very strong," said one airline executive.

The airline has successfully attracted passengers on its revamped European services and

had been looking to expand capacity at slot-constrained Heathrow. The new planes will increase seating by more than 50 seats on some routes.

The larger planes will allow British Midland to fly more customers into crowded European airports using the same number of flights.

The airline is optimistic about growth and has the option to change some of its orders for the A320s to larger A321s if the European market grows.

Much of the extra space available on the larger jets will be taken up by British Midland's new business class. The airline has consciously

moved up-market in an attempt to distance itself from the proliferation of low-cost, no-frills airlines that have sprung up in Europe.

The deal is not yet completed as a decision has yet to be made on which engine will eventually end up under the Airbus's wings.

In the running are CFM1, the Franco-American consortium which includes General Electric, the IAE partnership, which includes Rolls Royce, Pratt & Whitney, and the Japanese Aero Engine Consortium.

A decision on engines would be made by July, a company spokesman said.

IN BRIEF

Norwegian bank and insurer merge

In the latest example of the European trend towards "baucassurance", Norway's Christiania Bank and the country's leading insurer, Storebrand, announced merger plans yesterday to form the largest financial group in Norway and the sixth-biggest in the Nordic region.

The new company, Christiania Group, will have a market capitalisation of about Nkr20bn (£2.4bn) and be the second-largest listed company on the Oslo Stock exchange after industrial giant Norsk Hydro. The companies said they hoped to complete the deal by year-end following government approval. Norway's overcrowded banking sector has been undergoing consolidation since the late 1980s and further mergers had been expected in the battle for market share as margins shrink.

CBA buys Caspian Resources stake

Commonwealth Bank of Australia has bought a 17 per cent stake in Caspian Resources, the London-based emerging markets investment bank founded by Christopher Heath, for an undisclosed sum. CBA, one of Australia's four main banks, said the stake in Caspian would provide it with additional distribution outlets in Asia and wider access to investors.

National Power looks to Indonesia

National Power is to take a 30 per cent stake worth \$130m in an Indonesian company set up by a consortium planning to build a \$1.6bn coal-fired power station. It is NP's first big project in Indonesia as part of the consortium. In a 30-year power purchase agreement, the Indonesian state-owned electricity corporation will buy power from the 1,320 megawatt plant.

BASF forecasts record results

BASF, the German chemicals group, expects to report its third consecutive set of record results in 1997. Chief executive Juergen Strube said sales should reach DM50bn (£18.2bn) and earnings grow at least as strongly as sales. He said BASF had enjoyed a strong start to the year marked by double-digit first-quarter sales growth, driven in part by higher domestic demand. Last year BASF posted a 5.5 per cent rise in sales to 48.7 billion marks. Pre-tax profits climbed 6.9 per cent to DM4.4bn.

£16.8m Adas management buyout

Adas, the government agency specialising in agricultural research and consultancy, has been bought by its management and staff. The £16.8m buyout was partly funded by 3i, the venture capital group which will own 80 per cent of Adas. The Bank of Scotland provided debt facilities.

Car rental firms reject credit cards

Avis and Hertz, the car rental companies, have stopped allowing customers to use Visa and Mastercard to rent cars, according to the *New York Times*. Hertz was reported to have said the cards provided no qualification of creditworthiness.

Trafficmaster seals German deal

Trafficmaster is to supply its traffic system to the German autobahn through a 12-year licence agreement with Mannesmann, the German engineering and telecommunications group, and T-Mobile, a fully owned subsidiary of Deutsche Telekom. Trafficmaster chief executive David Marcell said the deal would accelerate the adoption of Trafficmaster technology as original equipment in new cars.

Costain names Armit as chief

Costain, the international engineering and construction group, has appointed John Armit to succeed Alan Lowell as the group's new chief executive. Mr Armit is currently managing director of Union Railways, which is responsible for developing the £3bn Channel Tunnel rail link, the high-speed railway which will connect the Channel Tunnel to London.

Drugs group forms US link

Zeneca Diagnostics, the DNA diagnostics developer which is part of the international Zeneca group, has linked up with California-based Oncotech to carry out research into the diagnosis of prostate cancer. Research into new genetic tests for cancer will take place in both America and Britain.

America Online targets smaller rival

David Usborne
New York

CompuServe, the pioneer computer on-line service widely used in Europe but which has been struggling in the United States, may be about to be gobled up by its barely-successful rival, America Online.

CompuServe, 80 per cent owned by the leading US tax accounting firm H&R Block, saw its stock price leap in trading late on Tuesday and again yesterday on industry reports that it was the target of a putative AOL bid.

A successful bid by AOL would inevitably attract close scrutiny by US fair-competition regulators. If allowed, such a deal would transform the on-line provider sector, leaving the field essentially to just two industry giants, AOL itself and the smaller Microsoft Network.

CompuServe would not confirm the reports, however. "To our knowledge we are not currently for sale," a spokeswoman at company headquarters in Columbus, Ohio, insisted. "To our knowledge there are no offers on the table."

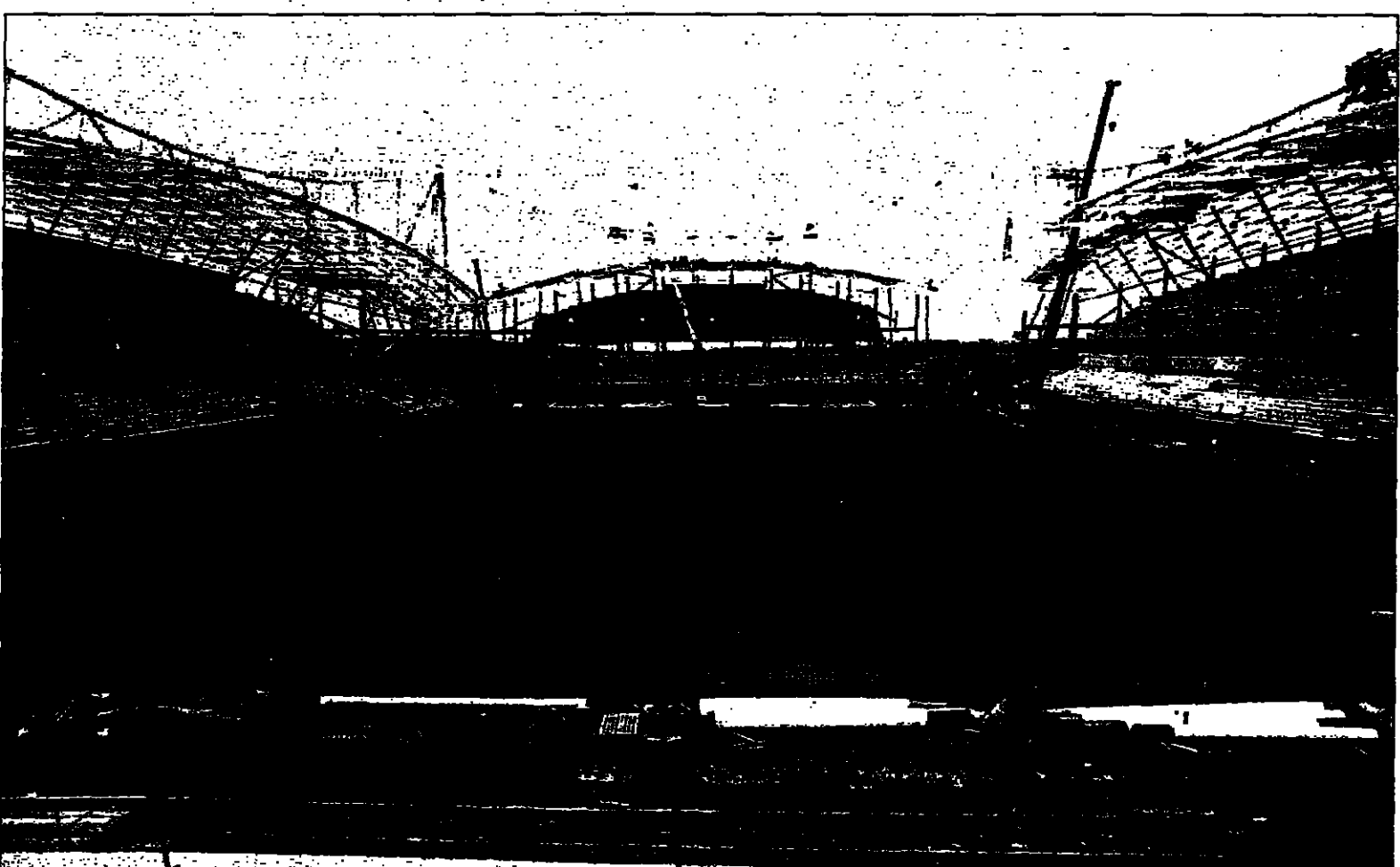
Shares in CompuServe none the less rose 5 per cent in early trading in New York yesterday after leaving a hefty 19 per cent in the previous two trading sessions.

H&R Block has made no secret of its desire to spin off the remainder of its holding in CompuServe, which has seen its position as industry leader stolen by AOL. While foreign subscriptions to its service, has recently climbed moderately, in the US membership fell to 1.7 million from 1.8 million.

By contrast, AOL, based in Virginia, has seen its customer tally soar to 8 million thanks in part to a policy of carpet-bombing America with free software discs to attract new customers. Tactics have extended to handing out software along with the peanuts on domestic air flights.

An acquisition of CompuServe could help AOL in two vital regards. While strong in the US, it remains weak abroad and would benefit greatly from absorbing the CompuServe customer base in Europe and in Japan.

A deal would also help AOL overcome widely publicised difficulties in providing enough network capacity to customers.



Taking shape: Mosaic will concentrate initially on developing amenities at the club's out-of-town stadium

Photograph: Harry McGuire

Nigel Pope
City Correspondent

Bolton Wanderers became the latest football club to pursue stock market glory yesterday when it agreed a £22m takeover by Mosaic Investments, a cash-rich shell company run by David Williams.

The deal came as shares in Premier League Newcastle United rose to a 3p premium on their first day of dealings, closing at 140p.

With Bolton already on the

Bolton Wanderers agrees £22m takeover by Mosaic

verge on promotion to the Premiership, the takeover will mean a double celebration for several hundred Bolton supporters who own shares in the club. They will receive 1,150 shares in Mosaic which were valued at 53p prior to their suspension last month.

Mosaic will be renamed Burden Leisure, an echo of the club's Burden Park ground which will be vacated for a state-of-the-art stadium at the end of this season. The enlarged group's shares are expected to resume trading on 29 April.

Mosaic's chairman, David

Williams, said he was delighted with the deal, though he admitted he had not been a keen football follower. "I'm a Bolton fan now," he said.

He said the Bolton deal represented a good business opportunity rather than the pursuit of a footballing dream.

Cowie's founder attacks board

The war of words at Cowie intensified yesterday when Sir Tom Cowie, the transport group's founder, life president and 2.8 per cent shareholder, accused the board of "completely lacking any common sense".

Sir Tom was speaking ahead of next Wednesday's EGM, called to remove Neil Pykett, the former boss of its car-leasing offshoot, as a director.

Sir Tom also accused chief executive Gordon Hodgson of "wielding too much power". Mr Pykett's departure and the earlier exit of Iain Jane from the executive team means that Mr Hodgson is the only one left of the triumvirate who took charge after Sir Tom was forced

out as chairman in 1993 at the age of 71.

"Hodgson has now surrounded himself with intimidated colleagues," Sir Tom claims. "Anyone who has the temerity to stand up to him gets the push." He describes Cowie's non-executive chairman, Sir James McKinnon, the former gas industry regulator as "Hodgson's choice".

The row involving 48-year-old Mr Pykett began in October when it became clear he was not the automatic choice to succeed Mr Hodgson, who is now 65. Mr Pykett handed in his resignation, saying he wanted to work out his three-year contract. But he was forced out of his job

in February after a row over his wish to sell his shares in the company. Other directors accused him of "gross misconduct".

"What agitates me," said Sir Tom, "is the long-term need to plan the management succession. There is also the effect on the share price of this row. The shares are down 13 per cent despite the record results announced in March."

Officials at Cowie claim Sir Tom is now "out of touch" with the business. Last month shareholders received letters from both Mr Pykett and Sir James McKinnon spelling out their versions of the row.

"More dirty linen will be washed in public at the EGM,"

Sir Tom predicts. "But I don't think many institutional shareholders will bother to go up to Sunderland to hear the arguments. They will vote with the board. They always do."

Observers of the company think the entire imbroglio might have been avoided if Cowie had a normal head office. But the company, with a stock market value approaching £1bn, is still run on the original site of Cowie's first motorcycle shop. Sir Tom started Cowie in Sunderland more than 40 years ago as a motorcycle repair shop. It is now big in car leasing and an operator of privatised buses, running the biggest bus operation in London.

Surge in consumer lending heightens fears of rate rise

Magnus Grimond

Interest rate fears continued to dominate the markets yesterday after UK consumer lending rose by a record £1.22bn in February and there were further signs of strength in the US economy. The surge in lending, coming after an increase of £844m in January, was much higher than expected, rekindling fears of a return to the 1980s consumer boom. But the FTSE 100 index largely shrugged off a new slump on Wall Street, ending down just 11.5 at 4,366.6.

Analysts said the credit figures increased the need for the new

Chancellor of the Exchequer, whoever he was, to raise interest rates after the election by as much as half a per cent. David Coleman, chief economist at CIBC, said: "Consumer borrowing continues to grow at quite a healthy pace. It keeps the pressure on whoever is the next Chancellor to raise rates just as the US has done." The US move to raise money costs by a quarter of a per cent last week raised expectations that further tightening may be necessary.

But observers stopped short of comparing current credit conditions with those of the 1980s, with many pointing out that in

percentage terms the borrowing rise is still below previous peaks and savings remain high. They also drew some comfort from Bank of England money supply figures which showed M0 growing by 6.4 per cent in the year to March, just below expectations of a 6.5 per cent increase.

However, James Barly, an economist with Morgan Grenfell, highlighted the broader M4 measure, where growth was revised down to 11.2 per cent from 11.3 for the year to February, but still up from 10 per cent in January. He said the figures showed the economy would continue to strengthen this year.

business

Rank sells film distribution unit to Carlton for £65m

Tom Stevenson
City Editor

Rank sold its film distribution unit to Carlton yesterday for £65m, towards the top end of expectations for the division which had been up for sale since February.

However, Rank won't give up its trademark "man with the gun" logo, but will license it to Carlton for use in opening sequences of the films in the library. Rank is also hanging on to its film delivery service.

Shares in both companies rose after the announcement, which gives Carlton a library of 740 feature films and increases Rank's focus on its core leisure operations.

Rank Film Distributors' extensive collection of films spans over 60 years of British cinema and includes Oscar-winning classics such as *Brief Encounter* and *The Lady Vanishes*. Other well-known films in the portfolio are Laurence Olivier's Shakespearean epics *Hamlet* and *Henry V*. Carlton will also gain control of popular favourites such as the *Carry On* series, *Reach for the Sky*, *The Ipcress File* and *Oliver Twist*.

Rank said two months ago it planned to sell its film distribution unit in a bid by new chief executive Andrew Teare to focus on the group's core leisure businesses that include the Hard Rock Café, Butlin's holiday camps, Tom Copleigh pubs and Odeon Cinemas.

Carlton said it would distribute the films acquired from Rank with its existing library of movies and TV programmes. The film library would also be a boon for the film channel it planned to launch on digital television, it said.

Carlton, largest of Britain's 15 commercial television stations, broadcasts to 22 million people in London and Birmingham. In February it joined BSkyB and Granada in a venture to bid for



Good for a laugh: Hattie Jacques, Kenneth Williams and Bernard Bresslaw in *Carry on Doctor*

licences to operate digital television stations from mid-1998.

The film business made operating profits of £4.1m on sales of £25.4m in 1996 and had assets of £31.3m. Analysts had expected the division to raise between £50m and £70m after the company poured cold water on earlier estimates that it might be worth up to £150m.

As part of its reorganisation, Rank has already raised about

£300m from the sale of business units including its engineering division and the Shearings bus holiday operation. It still plans to sell its stake in the Rank Xerox office equipment venture, worth an estimated £930m.

The sale of the film distribution unit is the latest move in an increasingly urgent attempt to inject some sparkle into one of the great names in the British entertainment industry which in

recent years has lost its lustre. When Andrew Teare arrived from English China Clays a year ago he found the group in less robust shape than he had believed and he has struggled to gain the support of the City which has marked Rank's shares lower ever since his arrival.

They closed yesterday 7p higher at 427.5p, but they have fallen from a high of 545p soon

after Mr Teare arrived last spring. Carlton's shares ended 3.5p higher at 519.5p.

Mr Teare has not been idle, spending more than £400m on acquisitions – even more than he has raised from disposals – reappointing three of four divisional directors and revamping the group's accounting policies. Despite all that, however, Rank's return on capital remains well below target.

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Camas builds on price rises and strong US market

Camas's figures were bang in line with expectations, but the building materials group's shares caught fire yesterday, jumping 8.5p to 81.5p, thanks to chief executive Alan Stearns' optimistic assessment of the outlook for its UK aggregates business, both in terms of price and volume. With the cost base firmly under control and the group's American arm chugging along nicely, there is plainly scope for more growth than analysts had previously thought.

That was just as well, because the figures themselves for the year to December made pretty dismal reading. Pre-tax profits of £22.8m were down on last year's £24.1m after turnover stagnated at £407.7m. Earnings per share slipped in line to 5.11p (5.47p) and the barely covered dividend was pegged at 3.75p for the third year in a row since Camas was floated from its former parent, English China Clays.

The real achievement during the year was to increase selling prices in all areas of its UK aggregates arm, despite falls of 10 per cent in volumes. There is little prospect of the road-building programme picking up any time soon, but improvements in the housing market and in commercial building should ensure price rises of up to about 8 per cent continue to stick.

In the US, the Denver market remains impressively strong, particularly in housing, and ready-mixed and aggregates had another good year. Volumes and prices both improved while costs were squeezed, leading to a 20 per cent increase in profits on turnover 16 per cent higher. The US market has been growing well for some time now but there is every sign that the good news will continue into 1997.

On the basis of forecast profits this year of £27m and £32m next time, the shares traded on a prospective price/earnings ratio of 14, falling to 11.3. Annualised that equates to a forward rating of 11.5 times, compared with 11.9 for rival Bardon, which arguably has a worse balance sheet and weaker cash flow.

Camas has an underlying asset value of 115p, which underpins the share price, as does a yield of almost 6 per

cent. On top of those ratios, the shares are likely to benefit from a continuing consolidation in the industry, which last year saw an unseemly scramble for control of relative minnows Ennema and is plainly not big enough to support the current number of participants.

A merger with Bardon remains an outside possibility and if it looked more likely might well attract a pre-emptive bid from one of the larger players such as Tarmac, RMC or Redland to prevent the creation of a stronger rival. On that basis the shares are good value.

Family success for Yule Catto

Who says family-dominated companies can't be dynamic? Shares in Yule Catto, the chemicals group which still boasts two members of the founding Catto family on its board, have outperformed the rest of the sector by close to 50 per cent since 1992. The family presence has not prevented earnings growing in 15 of the past 16 years, and last year proved no exception, albeit that profits came in slightly below what have become high expectations, leaving the shares 13p off at 354.5p yesterday.

The pre-tax figure for December, up a tenth at £36.5m, had a fair wind from external

factors last year, while underlying growth was perhaps a little disappointing. The soaring price of raw materials which was such a feature of 1995 started to subside by the end of that year and by early 1996 costs were back to previous levels.

But in a difficult and cyclical sector, Yule has done well with targeted expansion in genuine niche areas and growing markets. It can claim to be number one or number two in the UK in a number of unromantic but important businesses, ranging from PVA emulsions for the paint and adhesives industry to single done rooflights for buildings. It also has a useful 20 per cent of its business in the Far East, where it has been nothing up growth rates in double figures, well over double typical levels in its northern European heartland.

So even with margins of 11.5 per cent in the chemicals operation and 7.5 per cent in building products, there should still be scope to improve. The real challenge for Yule is what to do with its financial strength. With gearing of just 17.5 per cent and a £25m to £30m capital expenditure programme behind it, the group is looking for acquisitions, but not finding much of value.

Profits of £40.5m this year would put the shares on a forward multiple of 14. One to tuck away, but with the Catto and Kuala Lumpur Kepong of Malaysia sitting on half the shares, the market is tight.

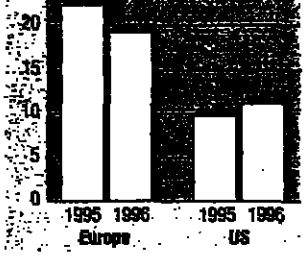
Camas: At a glance

Market value: £248m, share price 81.5p

	92	93	94	95	96
Five year record					
Turnover (£m)	358	355	458	408	408
Pre-tax profits (£m)	6.35	11.8	19.2	24.1	22.8
Earnings per share (pence)	1.66	4.00	4.24	6.47	5.11
Dividends per share (pence)	-	-	3.75	3.75	3.75

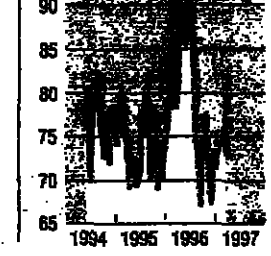
Pre-tax profit (£m)

(continuing operations)



Share price (pence)

(1994-1996)



28 more stores planned by La Senza

Nigel Cope
City Correspondent

La Senza, the specialist lingerie retailer whose shares have halved since it floated on the Alternative Investment Market last year, is to open a further 28 stores this year and launch a range of own-brand beachwear. The announcement accompanied a £1.5m loss for the year to 1 February – in line with a profits warning in January.

La Senza is using the £19m raised from last May's flotation to add to its chain of 39 stores. Of the 28 openings planned for the next 12 months, two will be in London, with a second store on Oxford Street and the other on Kings Road, Chelsea.

La Senza is keen on developing its product lines and will launch its "La Senza Beach" range of swimwear later this month.

The results announcement included an upbeat trading statement which showed like-for-like sales since the year-end had risen 11 per cent on the same period last year. The figures pushed La Senza's shares 5p higher to 82.5p compared with their 150p issue price.

La Senza's deputy chairman, Laurence Lewin, described current trading as "promising" and said the company was encouraged by the acceptance of its new spring ranges.

The group's losses of £1.5m compared to a deficit of £1.8m the previous year. Sales were £18m versus £10m last year.

La Senza launched a loyalty card during the year and 14 stores were opened in the last four months of the year. However, many opened later than expected, forcing the company to issue a profits warning in January which knocked 17p off the company's shares.

La Senza says it stands to benefit from the growth in the UK lingerie market which is forecast to expand by over 25 per cent over the next five years.

The group's main competitors include Marks & Spencer, which still dominates the market, and niche retailers such as Knickerbox.

Some of its stores openings were delayed last year when squatters took over two sites in London and the Manchester bomb affected its store in the Arndale centre.

IN BRIEF

Ultra beats forecast

Ultra Electronics, the specialist supplier of equipment to the Navy and Air Force, just beat its forecast profit of £14.5m for 1996 made at the time the company floated last October. Turnover was up 27.1 per cent including organic growth of 17.5 per cent and, after an exceptional charge of £600,000 attributed to the cost of providing staff shares in the float, profit before tax was £14.1m, up from £6.4m in 1995. Pro forma earnings per share jumped from 6.9p to 15.1p, compared with the 14.8p forecast last October, but as forecast there will be no dividend this year. An interim dividend will be paid in October. The shares fell 4p to 278.5p.

Johnston Press ahead

Johnston Press, the regional newspaper group, reported pre-tax profits before exceptional items of £23.5m, up from £16.8m in 1995. Analysts said this year should see a further improvement, with advertising strong and cover sales rising. There will also be a first time contribution from the newspaper titles acquired from EMAP for £211m last July.

UniChem buys pharmacies

Moss Chemists, the retail division of UniChem, has bought two community pharmacies in Essex and Northumberland for up to £716,000. The deal will increase the number of Moss outlets in Britain to 459.

Building contractor joins AIM

Bickerton Group, a building contractor in the public and private sectors, said it is joining the Alternative Investment Market with a placing of up to 5.1m ordinary shares at 40 pence. Dealings in the oversubscribed issue start on Friday. In the eight months to December, the group achieved pre-tax profits of £226,000 on turnover of £16.2m.

Falling demand hinders UDO

Interim pre-tax profits for UDO Holdings fell to £2.27m from £3.17m. Chairman Mike Wright blamed falling demand in the goods and supplies business. "With the benefit of hindsight we might have reacted more quickly to the falling demand and operational problems," he said. Earnings per share were down to 5.09p from 7.25p. The interim dividend was maintained at 2.75p.

Fee revenue boost for Shandwick

Shandwick's pre-tax profits in the first four months of its current financial year are ahead of the same period a year earlier on the back of an 11.3 per cent increase in comparable fee revenues, chairman Lord Chadlington said at yesterday's annual meeting. He added that like for like revenues should grow at more than 10 per cent this year, with a particularly strong performance in the US.

Company	Turnover £	Pre-tax £	EPS	Dividend
Barr & Welford Arnold (F)	249m (259m)	5.27m (4.00m)	23.4p (20.8p)	20.8p (1)
Breco Services (F)	88.4m (27.7m)	1.22m (1.08m)	8.55p (8.04p)	5.5p (2m)
Carnes (F)	402m (406m)	22.8m (24.1m)	5.71p (5.47p)	3.75p (8.75p)
Co-operative Bank (F)	-	45.5m (26.7m)	3.78p (2.89p)	0.85p (0.87p)
Crown Products (F)	33.0m (28.5m)	0.26m (0.28m)	0.6p (2.2p)	nil (-)
Dunlop (F)	42.1m (48.8m)	1.19m (1.03m)	1.21p (0.84p)	1.55p (-)
Edinburgh & Glasgow (F)	-	0.84m (0.61m)	8.14p (8.85p)	7p (8p)
Hewden Stuart (F)	277m (279m)	29.5m (26.3m)	7.53p (6.07p)	3.2p (3p)
International Telecommunications (*)	4.73m (1.70m)	-2.66m (-0.70m)	-7.2p (2.8p)	-
Johnson Press (F)	195m (102m)	24.1m (18.8m)	10.2p (8.07p)	2.45p (-)
La Senza (F)	18.0m (10.2m)	-1.49m (-1.76m)	-6.4p (-340p.2p)	-
Lancaster Improvement (F)	90.2m (25.5m)	4.1m (3.2m)	12.3p (8.8p)	4.75p (4.75p)
Morham (F)	0.2m (0.22m)	0.10m (0.02m)	-	-
Princessdale Group (F)	53.6m (45.2m)	3.52m (2.78m)	3.77p (3.2p)	1.1p (0.7p)
Radnor Group (F)	16.5m (12.5m)	1.72m (1.34m)	8.2p (5.9p)	3p (2.4p)
UDO Holdings (F)	28.2m (25.1m)	2.27m (2.17m)	5.09p (7.25p)	2.75p (2.75p)
Ultra Electronics (F)	124m (87.3m)	14.1m (6.4m)	15.1p (14.8p)	nil (-)
Union (F)	-	-11.5m (-1.36m)	-56.7p (-2.5p)	-
Walker Greenbank (F)	101m (95.9m)	9.03m (8.57m)	5.82p (5.57p)	3.7p (3.7p)
Yule Catto (F)	383m (291m)	36.5m (33.1m)	22.7p (20.3p)	3p (-)
(F) - Final (I) - Interim (*) - 9 months (13 weeks) (1) - 10 months (12 weeks)				

Poor demand hits Walker Greenbank

Nigel Cope
City Correspondent

Heavy restructuring costs and poor demand in the commercial sector hit profits at Walker Greenbank, the fabrics and wallcoverings group, last year.

But an upbeat statement about current trading pushed the shares 6.5p higher to 65.5p – still well below the 100p peak they were trading at a year ago.

Profits fell 6 per cent to £9m after a reorganisation charge of £1.2m. The principal costs related to the centralisation of the consumer division's warehousing and distribution operations in addition to the centralisation of the customer services department. This resulted in the closure of five regional branches at the Murspec commercial wallpaper subsidiary which distributes and sells wallpaper to offices and hospitals.

Though operating profits, stripping out acquisitions, rose from £9.3m to £10m, the figure was held back by poor performance in a number of areas, mostly in the final quarter of the year. Sales advanced by £3m to £99m.

The British operations of Murspec suffered from a combination of poor demand and aggressive purchasing

from customers. This had a knock-on effect on Bynor, the group's commercial wallpaper manufacturer, which sells 60 per cent of its output to Murspec.

In northern Europe, the distribution businesses had a tough year with sales down 13 per cent due to poor demand in difficult economies.

But Walker Greenbank's consumer businesses did better as the UK housing market picked up.

Commenting on the outlook after what he described as a year of transition, chairman Charles Wightman said: "Our extensive capital investment programme and the restructuring of our cost base have provided us with the tools to take advantage of market which are showing signs of improvement."

"This year I expect our financial performance to rebound as our strategy of investing for the long term begins to bear fruit."

He said the group's commercial business would benefit from the continuing recovery in the UK housing market while North American and the Far East also offered growth opportunities.

The dividend was unchanged at 3.7p.

Magnus Grimond

The Co-operative Bank yesterday angrily rejected the reported £500m attempt by Andrew Regan and his shell vehicle, Lanica Trust, to acquire the bank along with key parts of the co-operative movement.

Terry Thomas, managing director, said: "There's not a chance of his buying the bank. Neither the bank nor its parent are for sale, either now or in the foreseeable future. I have nearly 800 letters from customers telling me not to sell the bank and it's the same message from management and staff."

Mr Thomas said his correspondents were "without exception" against any sale, some stating they did not want "their" bank sold.

Announcing a 24 per cent surge in pre-tax profits for last year, Mr Thomas also launched a scathing attack on the wave of demutualisations, which has encompassed institutions rang-

ing from the Halifax building society to the Norwich Union insurance group.

"It's a scandal of our time that this generation could raid assets built up over 100 years ago, more," he said. "There are other generations who had a greater social need. I'm thinking of the First World War and the Second World War. Why should it be this generation, for God's sake?"

Mr Thomas said he believed shortcomings in business culture were amplified by the values of the 1980s, foremost of which was "the misinformed idea that selfish behaviour... was in the public interest."

Profits at the bank, which is wholly owned by the Co-operative Wholesale Society, rose from £36.7m to £45.5m in the 12 months to 31 January. The period marked the first full year since the group added an ecological code to the ethical stance adopted in 1992 and updated in 1995.

Hewden waits for plant hire heaven

Hewden Stuart's figures for the year to the end of January show the full impact of a hostile trading environment, in which plant hire firms geared up for a surge in demand which failed to materialise. Pre-tax profits fell 19 per cent to £29.45m while earnings per share slipped 17 per cent to 7.53p.

On the hire side turnover only edged up 5 per cent to £187.5m. Margins were eroded and profits fell 15 per cent to £28.45m. Sales were even worse, with the bulk of construction equipment now being sold to plant hire businesses instead of through agencies to the construction industry. Divisional turnover fell 10 per cent to £89m and the contribution to profits fell to just £1m from £2.7m in the previous year.

But the final dividend makes 3.2p for the year, up from 3p. This reflects chairman and chief executive Sandy Findlay's firm belief that the outlook is improving, as the construction industry responds to an upturn in housebuild-

ing and commercial building. He also thinks more contractors will follow Kvaerner's lead and get out of their own plant hire subsidiaries to concentrate on what they do best. According to Mr Findlay, customers are looking to forge long-term relationships with those plant suppliers who can provide the necessary standards of service.

The City took heart from the thought that 3 per cent growth in the construction industry would create a much kinder environment, increase capacity use and quite possibly push up hire charges. In a business where every extra pound of turnover converts into 60-65p of extra profit, this ought to be plant hire heaven.

Brokers' forecasts for the current year have moved up from an average £36m to nearer £38m, equal to up to 9.4p of earnings. The shares rose 13p to 139.5p, pricing them at just over 15 times prospective earnings, which looks high enough for an industry where new capacity can be quickly added.

Union pulls out of takeover talks

Magnus Grimond

Union, the former discount house which is being restructured, has pulled out of takeover talks, it emerged yesterday.

Graeme Knox, executive chairman, said that since news of a possible takeover was made public in February, Union had been talking to companies which had shown interest in the group. "We have concluded, however, that at the current time none of these discussions will lead to an offer that fairly reflects the value of the company and which therefore we can recommend to shareholders," he said.

The news, which accompanied the announcement of a plunge into losses of £11.9m for 1996, left the shares 1.5p lower at 84.5p.

Speculation about a bidder for the group has centred on Joe Lewis, the exclusive Bahamas-based billionaire who in January raised his stake in Union to 24 per cent. He is thought to

have used Union for some of his foreign exchange dealing operations. However, the company would not identify the possible bidders yesterday.

Mr Knox, who joined as non-executive chairman from Scottish Amicable last year, took on executive responsibilities at Union after the departure of George Blunden, the former chief executive, and Ian Martin, the former managing director, in February.

Last year's loss, which replaced profits of £13.7m last time, came after a slow of exceptional items. The reorganisation of the business, including the withdrawal from discount house operations, has been taken as a £3.2m charge against profits. As well as the two executive directors, the company is making 47 people redundant, leaving it with a staff expected to be 91.

Mr Knox said that after a "painful" review of the value of assets, a figure of 94.4p a share had been arrived at.

market report / shares

Mobile phones have ring of confidence despite Wall St

MARKET REPORT
DEREK PAIN
stock market reporter of the year



The persistent ring of mobile telephones jerked the stock market into life although New York's tantrums continued to dominate proceedings.

The buzz of excitement was sparked by the latest round of sales figures with three of the top four players reporting strong performances.

Orange, the nation's third-largest mobile group, said its customer base had grown by 109,000 in the first quarter of the year, putting it within hailing distance of the cherished 1 million mark.

The Orange display coincided with One2One, partly owned by Cable & Wireless, producing a better-than-expected advance to 620.00p.

On Tuesday Vodafone made an encouraging contribution to industry volumes. Only Cellnet, owned by BT and Securitor, has still to reveal first-quarter figures.

Floated at 205p a year ago, Orange edged forward 1.5p to 208.5p after 212p. Cable rose 1.5p to 491.5p and Vodafone moved up 2.5p to 278p. BT, hit hard on Tuesday as worries surfaced over its MCI deal, rallied a little to 430.5p, up 2.5p.

Simon Carrington at Merrill Lynch has a 12-month target of 255p for Orange and sees Vodafone at 300p.

Footsie lost early firmness, ending 11.5 points lower at 4,236.6 as it became apparent New York, at least during London trading, was still hesitant. Tax-selling again accounted for much of the volume.

Banks were mainly lower with fulsome Salomon Brothers' support probably reducing Barclays' fall to 4p at 1,009p. The US investment house believes the "unwarranted decline" from February's 1,216p peak has created a buying opportunity.

General Electric Co was the

blue-chip front runner, gaining 7.5p to 383p on reports it has bid for the French government's controlling stake in Thomson-CSF the electronics giant. The British group still has to overcome counter-offers from French parties.

BP, the old British Gas, rose 3p to 164.5p in busy trading on hopes of a favourable deal with its Ofgas regulator.

Rank gained 7p to 427.5p on the long-awaited film sale and Newcastle United made a restrained debut, kicking off with a 5p premium at 140p. MEPC fell 12.5p to 472.5p on lack of takeover action.

Tesco managed a 1p advance to 347p as NatWest Securities offered support and the same house gave a further lift to EMI, the showbiz group, up 16p to 1,160p.

On Demand Information, the electronic publisher, rose 7.5p to 42.5p on talk of a large deal and an upbeat trading statement next week. The company seemed surprised about the rumoured statement. On Demand shares have been friendless since early last year when they hit 217.5p. They were 28.5p last month.

Drew Scientific, another former high-flier, seems to be recapturing its old enthusiasm. The shares rose 15p to 109.5p, highest for three years. Private investors have alighted on the

health care group since last week's upbeat statement and institutional share placing at 52p. Cortes International, the drugs hopeful, was little changed at 262.5p after Lehman Brothers said "take some profits".

Variety, with a wafer-thin sound system, jumped 5.5p to 54p on a licensing link with a US group and Trafficmaster moved ahead 42p to 307p after its system was selected for installation on part of the German autobahn network.

Premier Oil rose 2.5p to 39.5p, seemingly on support from Credit Lyonnais Laing which has put a 48p valuation on the shares. Other oil second-liners were in fine fettle with British Petroleum Syndicate gushing 34.5p to 1,545p on expected developments at its Gulf of Mexico projects. But British Petroleum suffered from lower crude prices, off 9.5p at 696p.

Kenwood Appliances, the kettle maker, added 6p to 155p; last month the shares were bumping along at a 130p low. It looks vulnerable with profits for the year ending this month likely to be down from £15.6m to £4.5m. Rival Pico, which has already made tentative approaches, could be tempted to return. The shares were 253.5p six months ago.

Pathfinder Properties, a former Business Expansion Scheme company floated last week at 17.5p, gained 11.5p to 35p, partly on hopes other BES ventures will be drawn into its fold.

Arcaid International, the hotel group, improved 5.5p to 55.5p. It has linked with Sir Terence Conran to develop the City's Great Eastern Hotel which will close this month and re-open in 1999. The hotel will be enlarged and banqueting and conference facilities created.

Entrepreneur Bob Morton has quietly put together a 6 per cent shareholding in DRS Data & Research, making scanning equipment. The shares gained 1p to 28.5p; they have come up from 23.5p in the past week. Mr Morton used to run Visteo, the computer group taken over by Lynx. He has other quoted interests and is a leading light at Bickerton, a builder, due to arrive on AIM tomorrow. DRS, floated at 110p, blotted its copybook when profits failed to meet expectations.

Ovoca Resources, traded at 14p, has enlisted a Canadian group to help develop its zinc deposit at Keel, 50 miles from Dublin. Paramount Ventures will pay \$3m for a 50 per cent interest in the promising project and £500,000 for 75 per cent of Ovoca's other Irish prospecting interests.

Data Bank

FTSE 100 4236.6 -11.5
FTSE 250 4507.3 +9.9
FTSE 350 2091.7 -3.5
SEAQ VOLUME 771.9m shares
69,095 bargains
Gilt Index 93.52 +0.12

Share spotlight

On Demand

On Demand Information, the electronic publisher, rose 7.5p to 42.5p on talk of a large deal and an upbeat trading statement next week. The company seemed surprised about the rumoured statement. On Demand shares have been friendless since early last year when they hit 217.5p. They were 28.5p last month.

Alcoholic Beverages		Banking		Diversified Industries	
Asahi	100.00	Barclays	1000.00	Asahi	100.00
Beck's	120.00	HSBC	120.00	BT	430.50
Carlsberg	150.00	Midland	150.00	Cable & Wireless	491.50
Heineken	180.00	NatWest	347.00	Cellnet	100.00
King	200.00	Prudential	200.00	Orange	208.50
Sankey	220.00	Scottish Widows	220.00	One2One	620.00
Stout	240.00	Union Bank	240.00	Vodafone	278.00
Watson	260.00	Windsor	260.00		
Breweries, Pubs & Restaurants		Food & Drink		Engineering & Electronics	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Extractive Industries		Investment Companies		Leisure & Hotels	
BP	164.50	BP	164.50	BP	164.50
British Gas	164.50	British Gas	164.50	British Gas	164.50
Rank	427.50	Rank	427.50	Rank	427.50
Newcastle	140.00	Newcastle	140.00	Newcastle	140.00
MEPC	472.50	MEPC	472.50	MEPC	472.50
Tesco	347.00	Tesco	347.00	Tesco	347.00
NatWest	347.00	NatWest	347.00	NatWest	347.00
Other Financial		Pharmaceuticals		Retailers, Food	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Retailers, General		Textiles & Apparel		Tobacco	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Transport		Rights Issues		Recent Issues	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00

THE INDEPENDENT

Win a Seven Seas Action Plan 50+ Pack and a Fleece Jacket

People at 50 today have a much greater life expectancy than any previous generation. A diet high in vital nutrients, and regular exercise will help you to stay healthy into your 50's, 60's and beyond. So Seven Seas has developed Action Plan 50+, a new range of health supplements to help the over 50's stay feeling young and looking great. It is available in two formulations: General Health Formula and Energy. Seven Seas are offering 14 lucky readers a pack of Action Plan 50+ General Health Formula plus a stylish fleece jacket in brick red, together worth £80!

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And answer the simple question on line.

Call cost 50p per minute at all times. Winner picked at random after lunch close 15th April 97. Unlucky Newspaper Publishing rules apply. Editor's decision is final.

Building Construction		Government Securities		Index-Related	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Health & Beauty		Mediums		Short	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Telecommunications		Longs		Updated	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00

Telecommunications		Rights Issues		Recent Issues	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00
Transport		Longs		Updated	
Asahi	100.00	Asahi	100.00	Asahi	100.00
Beck's	120.00	Beck's	120.00	Beck's	120.00
Carlsberg	150.00	Carlsberg	150.00	Carlsberg	150.00
Heineken	180.00	Heineken	180.00	Heineken	180.00
King	200.00	King	200.00	King	200.00
Sankey	220.00	Sankey	220.00	Sankey	220.00
Stout	240.00	Stout	240.00	Stout	240.00
Watson	260.00	Watson	260.00	Watson	260.00

business

IT revolution will not disperse our traditional urban centres

It was a big surprise that *The English Patient* won so many Oscars this year precisely because, despite the huge cultural and language differences between the western industrialised countries, each nation buys most of its movies from Hollywood.

The movie industry is an extreme case, but it turns out that the production of almost everything is concentrated in just a few centres.

The pattern of geographical concentration is most pronounced in the US. For example, two-thirds of car and auto parts production takes place in the mid-west, mainly in a few cities in Michigan, such as Detroit and Flint.

But the management guru Michael Porter has detailed many of the geographic clusters or concentrations in particular industries. He analyses, for example, the development of four industries since the Second World War – the printing press industry in Germany, patient monitoring equipment in the US, ceramic tiles in Italy and robotics in Japan.

When you start to think about this pattern of geographical specialisation, its prevalence becomes mesmerising. Next time you are in the supermarket, and are buying some everyday household item, look to see where it is made. Toothpaste? Ireland or Germany. Nappies? United States or France. Bacon? If not home produced, Denmark. There is only one big centre – or at most two or three – for anything that can be traded.

And so have Hollywood (movies), Seattle and Toulouse (aircraft), City of London (financial services), Paris and Milan (couture) and Detroit and Wolfsburg (cars).

It was almost a century ago that the British economist Alfred Marshall noted that most industry was concentrated in specific districts: cutlery

in Sheffield, cotton in the Manchester area and lace in Nottingham, not to mention coal in Newcastle.

Marshall also set out a fundamental economic explanation, which the economics profession ignored for the next 100 years, only recently returning to it. Paul Krugman at MIT and Brian Arthur at Stanford are among the pioneers of the modern version of economic geography.

As some of these researchers spell out, the world is becoming more like the one Marshall described. The forces for geographical concentration are becoming stronger as the economy becomes increasingly weightless – that is, as the goods and services with greatest economic value-added increasingly take a non-tangible form. There has always been only one Hollywood. Now there is also only one Microsoft, only one Novell, and before long there might be only one Citibank.

Marshall saw three explanations for the existence of geographical clusters: they have a pool of skilled labour for companies to choose from and a range of companies for workers to apply to; they create a network of suppliers and specialised services; and they foster the exchange of ideas and information, encouraging technical progress. Krugman and Arthur have translated Marshall's arguments into the language of modern economics.

Geographical concentration is the result of what economists call increasing returns to scale, or what an engineer would describe as positive feedback. This means that the more a company does of something, the better it does. Expensive set-up costs, for example, generate economies of scale. A new aircraft engine costs \$2bn-\$3bn to design, develop, test and put into production, but the second one costs only



Diane Coyle

When you are in the supermarket, look to see where everyday items are made. Toothpaste? Ireland or Germany. Nappies? US or France

\$50m-\$100m. Or there can be increasing returns in the marketing and distribution of a product: the bigger it gets, the better McDonald's does because customers know the brand and know what they are getting.

The most important kind of positive feedback in marketing exploits network externalities. This term just means that a product becomes more beneficial to its users the more other people are using it, because it sets a common standard. There are countless examples of one product squeezing another out of the market entirely because of network effects – for example, the VHS rather than the Beta standard for

video cassette recorders, the spread of the DOS operating system for computers, the use of petrol or gasoline to power car engines.

Increasing returns or positive feedback create the basic virtuous circle that leads to the concentration of production in a relatively few places. Companies want to be in the place where there are the workers to make their product and customers to buy it.

Transport costs make a difference to the basic tendency towards geographical agglomeration. If they are too high, it will discourage an industry from clustering in one place. Equally, a reduction in transport costs can often permit greater concentration in one place – a fact very relevant to weightlessness, where transportation costs are nearly zero.

New technology will disperse this kind of geographical concentration. The view that modern computer and communications technologies will shift work out of cities is widespread. There are certainly some examples of big companies dispersing their workforce in this way. Telephone operators, for example, are unlikely to sit together in one big building in the centre of town. Some sit in offices far removed from the big cities they mostly serve. Some work at home. Technology has made home working possible in many new areas.

But it is wrongheaded to predict that technology marks the end of economic concentration in urban centres. If production can occur anywhere, it might as well take place in the places where it has already started. The increasing weightlessness of economic activity is dramatically increasing the scope of increasing returns to scale and decreasing transport costs. Both tend to favour more rather than less clustering. There is therefore huge

scope for more geographical concentration in many parts of the entertainment business or the media, and in professions where advice is increasingly being delivered via technology rather than in person.

Suppose Oxford University were to admit on-line students, delivering lectures and tutorials via computer and video links. It would capture a big share of the market for on-line studentships, and the university would grow. Already a big employer of academics, it would hire more and more of them. The city of Oxford would become even more of a centre for the education business than it already is.

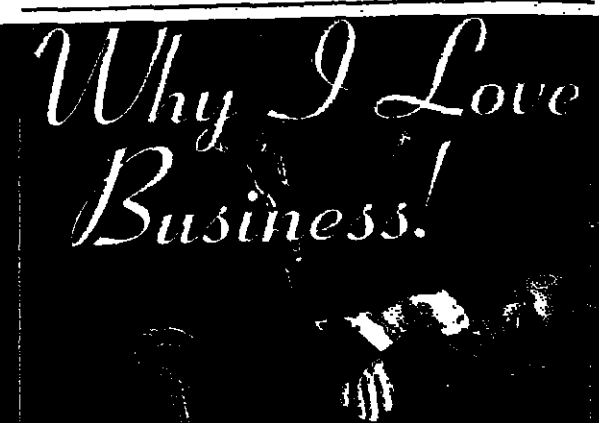
An increasing proportion of business in the weightless world is becoming subject to increasing returns. Many of the products or services of the weightless economy are interdependent. They are used in groupings – computer operating systems, software, modems, telephone cables and mobile phones, for instance.

An equally important force is the prevalence in weightless economies of network externalities, the benefit that users of a product derive the more users there are, and infinite expandability. It is feasible for one company to supply a global market – you only have to think of Microsoft, supplying a huge proportion of the world market for operating system software for personal computers.

In addition, the cost of hardware and cabling, and the perceived importance of access to it, is leading to the wiring of our cities at an astonishing pace. Public buildings such as libraries and cyber-cafes have become the information superhighways. The information technology revolution, far from dispersing work, will make the new economy more urban than ever. And movies like *The English Patient* will continue to be a rarity.

Bringing marshmallows and coals to teamwork

PEOPLE & BUSINESS



Sitting pretty: The latest US management guru

The Book That's Sweeping America has just plonked on my desk. This, to me, is the perfect antidote to those tedious American management books which bring together born-again earnestness with mind-numbing babble.

The author, Stephen Michael Peter Thomas, shamefully admits in the introduction that "none of his ideas are actually new or different enough to challenge you or make you feel uncomfortable in any way".

The book claims to be interactive, since "you can read the words in any order you want to". It includes challenging exercises for modern executives who need "concrete in their business practice (always a useful tool)". These teamwork exercises include "changing a tyre at 80 mph", "taking charge of a big ship" and "bomb disposal squad".

The book also mercilessly pillories management jargon, with swipes at the learning organisation, and how easily it can turn into the "forgetting organisation", how to create the humour-free work place and "managing change". My favourite is the staff exercise pushing a marshmallow (product) across a bed of white-hot coals (development process) to the far side (the market).

All in all, an essential purgative for anyone who has just taken an MBA. I think Mr Thomas could have had a hand in a press release from the Co-operative Bank I've just received hymning the bank's commitment to "an inclusive partnership approach to its business activities and to providing regular, independently audited reports on its performance with each partner".

The bank's managing director, Terry Thomas, carries on with more of this incomprehensible twaddle: "If companies are to succeed in the

long term they must understand the needs of the various natural partners in a business and that each partner must be treated in balance – not equally, not in preference but in balance and across time."

Has Mr Thomas been studying at the feet of the Dalai Lama, or is this merely an attempt to emulate his namesake, the popular 1950s film comedian?

Mr Thomas adds that "we believe this all-in approach is the way all businesses will be run in the 21st century". Book your prayer-mat in the ashram now.

One hundred and sixty years of English brewing history drew to a close yesterday when Eldridge, Pope sold its original Thomas Hardy Brewery in Dorchester to the management for £2.4m.

Jeremy Pope, Eldridge, Pope's chief executive and the fourth generation to head the family company, says he feels no pang of regret: "I would be more emotional if I didn't think we were doing the right thing for the people who work at the brewery."

He has sold the brewery to Peter Ward, a former production director at Bass whom Mr Pope recruited two years ago to be general manager.

Hard commercial logic dictated that Eldridge, Pope should concentrate on its fast-growing pub chain, says Mr Pope. The company now owns 200-odd pubs, with two about to open in the City. The Shurping Toad in Bishopsgate and Bar Excellence in Cornhill.

A year ago, Mr Pope put the company's brewing and packaging interests into the newly formed Thomas Hardy Brewery, and freed his pubs to buy beer wherever they wished. He will continue to lease the Grade II listed premises built in 1880 to Mr Ward, and will sit on the board.

As for Mr Pope, he continues the family traditions. Only family members are allowed to hold fully voting shares in Eldridge, Pope. "Archetypal nepotism, I suppose," he says. Whatever, 1 rate Eldridge, Pope shares a buy.

Stakis has appointed Ian Payne as managing director of Stakis Casinos. Mr Payne, 44, is currently managing director of Gala Clubs, a division of Bass Leisure, with responsibility for no less than 138 bingo clubs in the UK.

John Wilcock

Foreign Exchange Rates

Country	Spot	1 month	3 months	D-Mark
US	1.6445	7.5	23.20	1000
Canada	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
UK	2.2800	61.56	170.28	138.05
Spain	2.2800	61.56	170.28	138.05
Sweden	2.2800	61.56	170.28	138.05
Norway	2.2800	61.56	170.28	138.05
Denmark	2.2800	61.56	170.28	138.05
Netherlands	2.2800	61.56	170.28	138.05
Ireland	2.2800	61.56	170.28	138.05
Switzerland	2.2800	61.56	170.28	138.05
Australia	2.2800	61.56	170.28	138.05
New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Other Spot Rates

Country	Spot	1 month	3 months	D-Mark
Argentina	1.6445	7.5	23.20	1000
Australia	2.2800	61.56	170.28	138.05
Canada	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
UK	2.2800	61.56	170.28	138.05
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Denmark	2.2800	61.56	170.28	138.05
Netherlands	2.2800	61.56	170.28	138.05
Ireland	2.2800	61.56	170.28	138.05
Switzerland	2.2800	61.56	170.28	138.05
Australia	2.2800	61.56	170.28	138.05
New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Forward rates quoted high to low are at a discount; discount from spot rate. Rates quoted low to high are at a premium. *Dollar rates quoted as reciprocals. For the latest foreign exchange rates call 0891 123 3033. Cuts cost 50p per minute.

Interest Rates

Country	Spot	1 month	3 months	D-Mark
US	1.6445	7.5	23.20	1000
Canada	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
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Switzerland	2.2800	61.56	170.28	138.05
Australia	2.2800	61.56	170.28	138.05
New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Bond Yields

Country	Spot	1 month	3 months	D-Mark
US	1.6445	7.5	23.20	1000
Canada	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
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Switzerland	2.2800	61.56	170.28	138.05
Australia	2.2800	61.56	170.28	138.05
New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Money Market Rates

Country	Spot	1 month	3 months	D-Mark
US	1.6445	7.5	23.20	1000
Canada	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
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Australia	2.2800	61.56	170.28	138.05
New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Tourist Rates

Country	Spot	1 month	3 months	D-Mark
US	1.6445	7.5	23.20	1000
Canada	2.2800	61.56	170.28	138.05
Germany	2.2800	61.56	170.28	138.05
France	2.2800	61.56	170.28	138.05
Italy	2.2800	61.56	170.28	138.05
Japan	2.2800	61.56	170.28	138.05
UK	2.2800	61.56	170.28	138.05
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New Zealand	2.2800	61.56	170.28	138.05
Singapore	2.2800	61.56	170.28	138.05
South Africa	2.2800	61.56	170.28	138.05

Liffe Financial Futures

Contract	Settlement price	High/Low for day	Fut/Cont traded	Open Interest
Long Oil	Jan 09 108.19	108.25 108.13	2743	174242
Short Oil	Jan 09 108.19	108.13 108.25	2743	174242
Long Gold	Jan 09 126.48	126.48 126.48	4743	105700
Short Gold	Jan 09 126.48	126.48 126.48	4743	105700
3 Mth Sterling	Jan 09 82.71	82.71 82.71	200	16700
3 Mth Eurozone	Jan 09 82.71	82.71 82.71	200	16700
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Surface is made to measure for Sandpit

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**on Friday
and Saturday**

Telephone entry

**on Friday
and Saturday**

Telephone entry

sport

Sport has become a vehicle for hyperbole and heaven help the performer who doesn't come up to expectations

After Oliver McCall knocked out Lennox Lewis in September 1994 to become the World Boxing Council heavyweight champion, he spoke about the benefits of improved behaviour. He related advancement in the ring to being a better person.

Subsequent events have shown that McCall was no closer to redemption than he had ever been. In a wild-eyed loss to Frank Bruno at Wembley and then the bizarre performance he gave when back in the ring with Lewis for the vacant title, there was worrying evidence of derangement.

Following fresh outbursts of violence that are thought to be drug related, McCall was admitted this week to a mental institution.

As this coincided with the news that the 1995 Open golf champion, John Daly, has entered the Betty Ford clinic in an attempt to overcome his chronic drink problem, you may think it a good time to wonder about what is going on out there.

In consideration of more hazardous professions, I am not entirely comfortable with the idea of pressure in sport. Nevertheless, it exists and some people cope with it better than others. What we are talking about here is individual temperament, and probably genetic weakness. Invoking the wrath of authority does not get us anywhere.

Sport is taken too seriously on the one hand and not serious-

ly enough on the other. For example, very little account is paid by television and mass circulation newspapers to the fact that boys go into professional football straight from school and receive very little guidance in social development.

The supporter, who probably is raising a similar type beneath his own roof, sees sports stars and their contemporary lifestyles moving closer to what was once considered revolutionary or immoral. Not a damn is given as long as the team wins, and attitudes have changed anyway.

Due to expanding interest across the airwaves and in newspapers, the focus on performance and behaviour intensifies. Moderation



KEN JONES

no longer comes into it. Sport has become a vehicle for hyperbole. And God help the performer who doesn't come up to expectations.

All sports hold the prospect of disappointment and the daunting inevitability of anticlimax. The

message that filters through in time becomes all too clear. Along with the urge to succeed comes the realisation that, in most cases, and in most sports, it will soon be over.

Was it the disappointment of being left out of England's 1966 World Cup winning team that caused Jimmy Greaves to become an alcoholic? Did Manchester United's decline after winning the European Cup in 1968 trigger George Best's sad plight? Nobody can be sure of this, but I was brought up to believe that most things in life come at a price.

In an interview Nick Faldo gave this week to Martin Hardy of the *Daily Express*, he said: "Every time you play you wonder when the next

win is going to come. When it does, you say "great, lovely", and then go off in search of the next. That's the game."

Most of the pressure in sport stems from distorted values. How can it be that a football manager is less than the success he was, simply because of one bad season?

Bombarded with games and analysis on television, the supporter begins to think himself sophisticated to the point where absolute judgements can be made. The novelty of simply having a game to look at is no longer enough to command attention.

The inescapable conclusion is that sports performers of the future will get an even tougher ride. There is no magic elixir that sep-

arates winners from losers. You can't buy it at the chemist. You can't pour it on your cereal. All you have is what you were born with.

One thing we should remember is that the majority who succeed in sport are quite ordinary people. For every one who falls about in nightclubs, there are 20 pushing trolleys around supermarkets.

There is innocence, too. Sport isn't the real world. Once, over dinner, a prominent golfer was asked whether he thought the United States was right to drop bombs on Libya. Interrupted in his thoughts, he remarked on the degree of difficulty imposed by a par three at Pebble Beach. That's pressure for you.

Lions lured into gamblers' den



Neutral referees, the top hotels, more money than the average Swiss bank and a backroom

staff oozing experience, imagination and technical know-how. For eight long months, the Lions management had left nothing to chance in their pursuit of victory over the world champions in this summer's three-Test series. And then came yesterday's squad announcement.

The best-laid plans will count for nothing if Fran Cotton's high-risk party goes pear-shaped up there on the South African veldt. Cotton and his fellow selectors may have scoured the rugby landscape and taken in close on 250 games since they began their Lion hunt last September, but for all that, this is a gambler's team.

Cotton, Ian McGeechan and Jim Telfer are staking everything on two world-class goal-kickers staying fit throughout the most intense and least forgiving tour in Lions history (one of those, Neil Jenkins, is already injured, by the way). They are also betting heavily on no fewer than seven English Second Division players raising their games sufficiently to survive what is certain to be an acid test. What is more, they are putting their last penny on nine men who cannot even count themselves first-choice in their own national teams.

It is not difficult to foresee a

Chris Hewett says Fran Cotton's squad is fraught with potential disaster

few pigeons coming home to roost. Some very advanced weaponry will spend the summer thousands of miles away from the whiff of South African gunfire - Mike Catt, the versatile England outside-half, is the most notable absentee, but he can be bracketed with a number of other proven international match-winners including Jonathan Davies and Ben Clarke - and it is a bold call indeed to travel without players of that calibre.

Cotton was quite prepared to admit that a number of candidates had suffered an unlucky roll of the dice. Catt was given a prominent mention in the roll-call of sympathy, as was Kieran Bracken, the Saracens scrum-half, and, remarkably enough given the extreme views he attracts, Arwel Thomas, the Welsh stand-off who might well have nudged his way on to the trip had he made it on to the Arms Park pitch against England last month and produced the blinder of which he is eminently capable.

Sympathy counts for nothing, though. Any hard-nosed Springbok will tell you that. When push comes to shove against a rampant South African side play-

ing better than at any time since emerging from the shadows of pariahdom in 1992, Cotton and company will stand or fall by the men named in London yesterday.

Foremost among them was Martin Johnson, the captain, whose lack of leadership experience and distinctly edgy temperament makes him one of the biggest gambles of them all. His liaison with Jason Leonard, the one prop of undisputed world class available to the Lions, will be at the very heart of the major contests and it was reassuring yesterday to hear both men praise each other to high heaven at every available opportunity. If Keith Wood, the Irish hooker who tends to hit the treatment table even more quickly than he hits his rucks and mauls, can put his debilitating shoulder problems behind him, the Lions' tight five could well be worth a flutter.

The back row looks useful, too, and Neil Back's diminutive presence should not be sneered at. According to Bob Dwyer, his coach at Leicester, the open-side flanker's power-to-size ratio is far better than almost anyone else's in the game, north or south of the equator. He may not pilfer much line-out possession, but he will hoover up an awful lot on the floor.

Prospects are also bright among the scrum-halves and centres, but the good news ends there. Outside-half, wing and full-back all look scary, especially as Gregor Townsend's form was so wretched during the Five Nations, and unless he rediscovered the Merlin touch, Cotton may well rue the day that he wrote off the claims of Thomas and Davies, the Welsh brethren. They alone possess the fusion of handling skills, kicking power, broad vision and pure nerve that the great Lions stand-offs of recent memory, Barry John and Phil Bennett, brought to bear on the ogres of the southern hemisphere.

It is difficult to see who, apart from Jenkins and Paul Grayson, will kick goals. Cotton includes Tim Stimpson and Townsend among his options but Dave Alred, confirmed yesterday as the 12th and last member of the support staff, will have to turn the world on its head to make a Test marksman of either.

From this distance, goal-kicking may well prove the Achilles heel of this party - always assuming that the stand-off line-ups come up trumps. If they do not, of course, the Lions will not have any goals to kick.

Still, the selectors have acted in the very best of faith. There is no hint of political hand-picking, no lame duck Celts chosen to appease the sensibilities of the home unions outside England. All we can hope is that Cotton and his men are on a hot trot at their local casinos.



Martin Johnson: Master of the line-out

Photograph: Clive Brunskill/Allsport

Indomitable Johnson king of the jungle

Chris Hewett profiles the Lions captain who always gives as good as he gets



Henry Kissinger he is not. If the 1997 Lions were looking for a natural diplomat to captain the ship

through the volatile waters of South Africa this summer - an urbane public relations specialist with a chameleon-like ability to switch from statesmanlike speeches to cocktail party small talk - they could not have done worse than bestow the honour on Martin Osborne Johnson.

The man who emerged from New Zealand's King Country in 1991 to become king of the jungle six years later is no one's idea of a suave, sophisticated lounge lizard lavishly equipped with the gift of the gab. But then Fran Cotton, manager of the first professional party in Lions history, was never much interested in appearances. What he wanted was a rough, tough, teak-hard hand, an 18-stone frame so jam-packed with smouldering strop that even the Springboks, self-appointed enforcers of the rugby-playing world, would think twice before talking liberties. That is precisely what Cotton has in Johnson.

In so far as the captain spoke at all yesterday - and you can be very sure that he is much happier delivering prime possession from the front of a line-out than anything resembling the Gettysburg Address - he said all the right things. No, he did not think it would be a particularly violent tour. Yes, it would be bloody rough all the same. No, the Lions would not be looking to win the series through brawn rather than brain. But, yes, his players would be expected to stand up for themselves.

Johnson has first-hand experience of the discomforts of life down Johannesburg way. Three years ago Johan le Roux, a fully paid up member of the Springbok cheap shot society, clouted the Leicester lock during an England tour game with Transvaal and by the time he woke up, Simon Shaw had been summoned as his replacement.

Since then, Johnson has dished it out with the best of them. He has suffered the odd rough ride - German Llanes had him looking over his shoulder during the England-Argentina Test at Twickenham in December and less than a month later he was overshadowed by the clever, calculating second rows of Brive in the final of the Heineken Cup. But, as a rule, he rarely finishes second to anyone.

Indeed, he has been matched in his prowess as a primary ball-winner since he

announced his presence to a dumbstruck Bath pack in a Pilkington Cup match in 1990. Leicester's unexpected victory was constructed on the broad back of a 20-year-old rookie who made the jump from unknown to potential world-beater in the space of 80 remarkable minutes.

Yet those in the know had identified Johnson as an uncultured diamond some years earlier. Born in Solihull in March 1970, he played his early rugby with Wigston and, on joining Leicester still in his teens, he quickly caught the eye of selectors at national schools and college levels.

Then came one of three big breaks that transformed his career, an 18-month spell with College Old Boys in King Country. One of the grizzled Kiwis who spotted something special in the feisty young newcomer was the grizzliest of them all - Colin Meads, All Black legend and King Country folk hero. No one ever argued with Meads during his dozen years as a Test forward and his glowing opinion of Johnson persuaded the New Zealand Colts' selectors to pick him for an international against Australia. Among his team-mates that day were Waiga Tuilagala, Blair Larsen and John Timu and had he taken up an offer to stay in the north island, he would surely have followed that trio into the ranks of the Silver Fern.

England was home, though, and by the time he returned he was already approaching finished article status. The remaining breaks came quickly. An injury to Wade Dooly earned him a first cap against France in 1993, and when Dooly suffered a family bereavement in the early stages of the Lions' tour of New Zealand later that year, he played in the last two Tests as though to the manner born.

Yes, he is reserved, almost taciturn in public. But, as Cotton said yesterday, Johnson has the "complete and total respect" of those who play alongside him, whether for Leicester or England. And when the manager added that "the thought of Johnson knocking on the dressing-room door in the minutes before a Test match will concentrate the Springboks' minds wonderfully", the rationale behind the appointment was suddenly crystal clear.

Johnson may not be a natural leader in the mould of Bill Beaumont, still less a clever psychologist like John Dawes. His flashes of temper cost England tries against both Argentina and Wales this season. But, for all that, he is some player: a big man with a big job on his hands.

THE LIONS PARTY

FULL-BACKS	WINGERS
Neil Jenkins (Wales and Pontypridd) Age: 25, 50 caps.	Tony Underwood (England and Newcastle) Age: 28, 25 caps.
Tim Stimpson (England and Newcastle) Age: 23, 5 caps.	Mike Beaf (England and Northampton) Age: 26, 1 cap.
WINGS	John Bentley (England and Newcastle) Age: 30, 2 caps.
Scott Gibbs (Wales and Swansea) Age: 26, 27 caps.	Steven Evans (Wales and Llanelli) Age: 33, 71 caps.
CENTRES	STAND-OFFS
Allan Bateman (Wales and Richmond) Age: 32, 9 caps.	Paul Grayson (England and Northampton) Age: 25, 8 caps.
Jeremy Guscott (England and Bath) Age: 31, 48 caps.	Gregor Townsend (Scotland and Northampton) Age: 25, 25 caps.
Alan Tait (Scotland and Newcastle) Age: 33, 10 caps.	SCrum-HALVES
Will Greenwood (England A and Leicester) Age: 24, 0 caps.	Matt Dawson (England and Northampton) Age: 24, 5 caps.
STAND-OFFS	Archie Hogg (England and Leicester) Age: 23, 1 cap.
Paul Grayson (England and Northampton) Age: 25, 8 caps.	Robert Howley (Wales and Cardiff) Age: 26, 16 caps.
Gregor Townsend (Scotland and Northampton) Age: 25, 25 caps.	PROPS
SCrum-HALVES	Jason Leonard (England and Harlequins) Age: 26, 15 caps.
Matt Dawson (England and Northampton) Age: 24, 5 caps.	David Young (Wales and Cardiff) Age: 29, 21 caps.
Archie Hogg (England and Leicester) Age: 23, 1 cap.	Griffiths, Bryn (England and Leicester) Age: 25, 14 caps.
Robert Howley (Wales and Cardiff) Age: 26, 16 caps.	Tommy Seymour (Scotland and Northampton) Age: 25, 9 caps.
PROPS	Peter, Clive (Queensland and Ireland) Age: 31, 16 caps.
Jason Leonard (England and Harlequins) Age: 26, 15 caps.	
David Young (Wales and Cardiff) Age: 29, 21 caps.	
Griffiths, Bryn (England and Leicester) Age: 25, 14 caps.	
Tommy Seymour (Scotland and Northampton) Age: 25, 9 caps.	
Peter, Clive (Queensland and Ireland) Age: 31, 16 caps.	

Daly 'may quit game'

GOLF

ANDY FARRELL reports from New Orleans

John Daly has withdrawn from next week's US Masters at Augusta and will not play golf again until he has come to terms with his alcohol addiction. In his despair, he has entered the Betty Ford Clinic for a second time in four years on Tuesday. Daly admitted that he may never again.

"If I don't feel like I can keep from drinking, I'm through. I might not play golf again," Daly said. "I'm going to stay here as long as it takes."

"I actually wanted to do this two months ago, but I wanted to get through the Masters. I really didn't want to miss the Masters because it's my favourite tournament," added the former

US PGA and Open champion known as the "Wild Thing".

Last year Daly fell to 121st on the US money list and admitted he was drinking again "socially". "I played so poorly. It's hard when you have such a horrible year. Basically, I think I started drinking again because I was not playing well."

Daly withdrew from last week's Players' Championship with a hip injury after spending Thursday night drinking. "When I woke up in the hospital, I knew I needed help."

Daly will stay at the Betty Ford for at least six weeks but hopes to return for the Kemper Open in June, a week before the US Open.

Seve Ballesteros's participation in the US Masters is in doubt after he withdrew from the Freeport McDermott Classic here with flu.

Hendry beats colour blindness

SNOOKER

Stephen Hendry achieved the narrowest possible victory at the British Open in Plymouth yesterday before disappearing "to practice and read the rule book."

Hendry scraped past Paul McPhillips into the quarter-finals after a 5-4 win over his fellow countryman in a game in which the scoreline did not reflect how tight the match actually was. In the end, it required a nerveless clearance from green to black to send the world champion through to the last eight of the competition.

"Only Stephen Hendry could produce a clearance like that," McPhillips said after his hopes of a top 64 place vanished. "Any other player and you would have fancied them to miss

at least once. I don't know how many times he wins last-frame deciders, but he seems to make a habit of it."

Earlier, Hendry had been only one ball from defeat with McPhillips attempting to compile his own game-winning clearance. The world No 65 from Glasgow tried to double the final green leading 43-22, but it rapped the knuckle of a middle pocket.

"I had to go for it because you don't get too many opportunities in the last frame against Hendry. Both of us were a bit edgy at the end but I really fancied winning."

McPhillips had taken the 28-year-old Scot by surprise in establishing a 2-0 lead and even though a somewhat lacklustre Hendry won four in a row, the left-handed McPhillips refused to submit.

The 26-year-old, a first-round winner over James Wattana, rolled in his second century of the competition to pull back to 65 to put himself in the driving seat in the eighth.

Then two moments of misjudgement showed just how much pressure both players were under. McPhillips attempted to roll up to the brown from three inches away to snooker his opponent.

Incidentally, the cue ball failed to make contact leaving Hendry back in command. He nominated the green as a free ball and duly knocked it in to a top pocket. With only the colours remaining, Hendry should have taken the yellow. Instead he potted the green again and McPhillips made the most of his break.

"I totally lost the plot,"

Hendry said later. "I don't ever remember doing that before. It shows you just how badly I was concentrating."

"I would have gone for the double, myself, and Paul can probably count himself a little unlucky because he outplayed me for large pieces of the match. One shot and I was out. But I was delighted with that clearance because none of the balls were easy."

Earlier, Michael Judge of Dublin reached his first ranking tournament quarter-final. The 21-year-old Irishman defeated Dominic Dale of Wales 5-3.

"After losing 10-9 in the World Championship qualifiers last week I refused to get downhearted," Judge said. "I decided to take the good points out of the game and not the bad and I always thought I could do well here."

Hickstead threatened

EQUESTRIANISM

The Nations Cup meeting at Hickstead has been cancelled because of a lack of sponsorship or other financial help, and the other two fixtures at Douglas Burn's All-England Show Jumping Course are under threat.

"Even at this stage we hope that sponsors or aid may be found for the Royal International Horse Show [10-13 July] and the British Jumping Derby [14-17 August]," Burn said. "If not I have to say, with great sadness, that the All-England Jumping Course, founded in 1960, will close for the 1997 season."

The British Nations Cup will now be held during the Royal Windsor Horse Show, which runs from 14 to 18 May, but it may not be possible to save the new series of four international

team trials, two of which were due to take place at Hickstead.

The implications for British show jumping are gloomy. The international arena at Hickstead has been a wonderful showcase for the sport for 36 years, while the British Jumping Derby is widely regarded as the most exciting competition of the outdoor season. It is also one of the few show jumping contests which is still transmitted live on BBC television.

Fortunately, the Windsor show committee had already decided to re-establish international show jumping in this year's programme. Simon Brooks-Ward, the show director, already organises the Puwarotti Nations Cup in Italy on behalf of the Best Communication and Management Group who are underwriting the Windsor meeting.

King of the Jungle
Chris Hewett on Martin Johnson, the
Lions' indomitable captain, page 28

sport

Bowled over
Wisden and MacLaurin launch
attack on English cricket, page 29



Botha says tour party is flawed

Rugby Union
DAVID LLEWELLYN

Hardly had the British Isles squad for the tour to South Africa been announced yesterday, than the critics were queuing up to question its content.

Perhaps the most telling view came from South Africa itself, where Naas Botha, the former Springbok captain, was commenting on the announcement was covered on live television. Botha pinpointed outside-half and full-back as areas of potential weakness in the squad.

"At fly-half, they haven't got a major star and, at full-back, we're looking at Neil Jenkins - but are we looking at Jenkins as a kicker or as a full-back?" Botha said. "As a kicker, he's one of the best in the world but, as a full-back, he's certainly not in the same league as Andre Joubert, for example."

Botha went on to question whether Gregor Townsend would be played at his best position. "Townsend is a talented player but, in my mind, he is a centre rather than a fly-half. When the pressure was really on Townsend during this year's Five Nations, he tried to run Scotland out of trouble and wasn't too successful."

Botha also expressed surprise that Mike Catt had not made the squad, but felt it was a strong side and that the gap between southern and northern hemisphere rugby had narrowed in the last year.

On the domestic front many were surprised by the over-looked of Saracens' in-form scrum-half, Kieran Bracken, none more so than his coach, Mark Evans. "I find the decision to omit Kieran baffling, given his current rich vein of form, and only equalled by my astonishment that the alternative seems to be Matthew Dawson, who has been injured most of the season and hardly set the world alight when he was fit."

However, the Lions manager, Fran Cotton, insisted that what was wanted were hard, physical players as he defended the choice of the likes of Neil Back - "he's always in the opposition faces" - and Peter Clohesy, the Ireland prop who is at present turning out for Queensland in the Super 12s. Both men have recently served six-month bans, Back for showing the referee Steve Lander af-

ter last year's Pilkington Cup final, while Clohesy served 26 weeks for stamping in the match against France last year.

"Clohesy has served his punishment, let's hope he's learned his lesson," said Cotton, a member of the 1974 Lions tour of South Africa, who had the now infamous coded signal "99" which meant they had to get their retaliation in first against the physical, bullyboy tactics of the Springboks.

"It is very important to get the physical respect of your opponents in the southern hemisphere and, quite honestly, I do like the thought of a 6ft 8in, eighteen and a half stone captain - Martin Johnson - tapping on the opposition dressing-room door rather than a sylph-like winger."

One of those sylph-like figures should have been Simon Geoghegan, but the Bath and Ireland wing rang Cotton on Monday. "He said his toe was so bad that it may even be the end of his playing career," Cotton explained. But Geoghegan's withdrawal opened the door for Tony Underwood, who has silenced the critics this season with some fine performances for England and his club, Newcastle.

Newcastle are second only to Leicester in representation, their complement of five bringing the Second Division's contribution to the first professional Lions tour to seven. The presence of six Tigers in the Lions party of 35 equals London Welsh's record of club representation - the Exiles ended up with seven when Geoff Young joined the 1971 tour as a replacement.

Bath, once the club that set the standards, have Jeremy Guscott as their sole representative. England have 18 players selected, Wales eight, Scotland five and Ireland four. There was no room for three of the Home Unions' captains, Phil de Glanville (England), Jim Staples (Ireland) and Jonathan Humphreys (Wales). Mike Catt has also been left at home, as has Jonathan Davies.

The Lions support team is now 12-strong following the co-opting of the kicking coach, Dave Alred, the man England want but the Rugby Football Union says is too expensive.

Chris Hewett on the
Lions squad, page 28



Fran Cotton, the Lions manager (fourth from left), at yesterday's announcement of the team to tour South Africa

Photograph: Allsport

Coach fears for victorious Fijians

ROBERT GALVIN
reports from Sydney

Fiji will grind to a halt tomorrow when the tiny Pacific nation enjoys a public holiday to honour its victorious World Cup Sevens rugby team.

However, amid the euphoria over Fiji's triumph in last month's tournament in Hong Kong, the man charged with ensuring Fiji's overall rugby success has mixed feelings.

While acknowledging the scale of Fiji's achievement in beating the major rugby powers in the seven-a-side version of the game, the national Test coach, Brad Johnstone, believes the triumph may prove bittersweet. "One thing's for

sure, it will definitely make my job harder," the 46-year-old former New Zealand Test forward said.

According to Johnstone, who played 13 Tests at prop between 1976 and 1980, Fiji's prowess at the abridged form of the game works against them at the 15-a-side level, his own area of responsibility. He says the true measure of performance in rugby union can only be judged by results in the full-scale game.

Yet in Fiji, it is sevens rugby, regarded as an enjoyable distraction elsewhere in the world, that dominates thinking. When schoolchildren across Fiji's 300 islands get the day off tomorrow, it will be sevens, not the 15-a-side game, that they will play.

The Fijians delighted crowds in Hong Kong with their vibrant attacking approach, leaving one beaten opponent, the Welshman Darren Edwards, to declare them "in a class of their own" after their record seventh win in the tournament.

But at Test level, those attacking skills have proved inadequate to compensate for other weaknesses. Fiji are currently no match for the established nations such as Australia, New Zealand or England. Unless they switch their attention away from sevens, the gap will only widen, Johnstone believes. "Being a former All Black I find it all totally frustrating," he said. "There is a lack of perception of what is real rugby."

Johnstone believes Fiji have

the potential, if properly directed, to transfer their prowess at sevens to a far bigger, and more significant stage - the 15-a-side World Cup, which will next be staged in Wales in 1999. "Fijian players have tremendous leg strength, they're naturally fit and agile, and their basic handling and passing skills are outstanding. They are a joy to work with," he said.

Fiji's current standing at 15-a-side will be tested next month when they travel to New Zealand for a six-match tour, culminating in a one-off Test against the All Blacks on 14 June. Despite the significance of the fixture, Johnstone sees his side suffering because of Fiji's obsession with sevens.

Johnstone says Fiji - who lack

the financial muscle of the professional rugby nations - cannot yet compete against the top sides at 15-a-side, denying rugby supporters the opportunity to see some of the most naturally gifted players in the world performing to their potential.

"If my players could train every day in the professional environment other nations take for granted they would develop out of this world. They have an amazing ability to play rugby."

"I truly believe they are capable of winning the World Cup. It might take a decade but I believe it is possible."

Oliver McCall sent to mental hospital

The former world heavyweight boxing champion Oliver McCall has been detained in a mental hospital after his wife took out an emergency custody order against him.

Documents released on Tuesday said that McCall "presents an imminent danger to himself or others as a result of mental illness" and is so seriously mentally ill as to be substantially unable to care for himself.

McCall was evaluated by a mental health expert, who testified at a detention hearing on Saturday night that McCall was mentally ill and in need of hospitalisation. "An involuntary commitment hearing is granted to determine whether he should be held for further observation and evaluation."

McCall was placed on 18 months probation in December after pleading guilty to possession of marijuana and cocaine. In Illinois, he was also arrested in North Carolina in early April 1996 and charged with marijuana possession.

McCall spent time at a North Carolina drug rehabilitation



McCall in distress after his recent world title defeat

centre in August, and at the time his manager, Jimmy Adams, said he was being treated for marijuana and cocaine abuse. "Drugs took over his life, and now he's trying to take his life back," Adams said then.

McCall won the World Boxing Council heavyweight title in September 1994 after a second-round knockout of Lennox Lewis. After a successful defence against Larry Holmes, he lost to Frank Bruno in September 1995.

In February this year, McCall broke down in tears during a title fight with Lewis. His purse from the fight is still being withheld, pending an investigation into why he stopped throwing punches and defending himself.

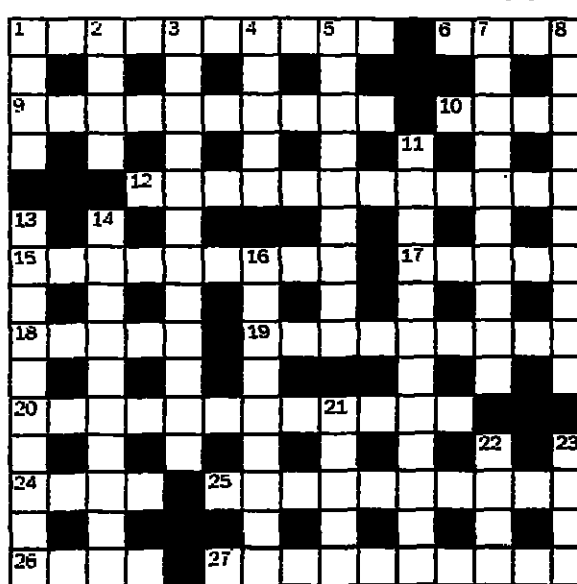
After the fourth round, he stood and cried in his corner and the referee stopped the fight 55 seconds into the fifth round.

THE INDEPENDENT CROSSWORD

No. 3265, Thursday 3 April

By Sparrows

Wednesday's solution



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- ACROSS**
- Expert museum superintendent, Rome's appointed agent (10)
 - Conservative involved in missile swindle (4)
 - Taken by students of ichthyology? (4, 6)
 - Request quietly put to education authority (4)
 - Vessels Grecians want for splashing about? (8-4)
 - Meat-eaters offering gold to get into endless feast (9)
 - Stout old boy has a certain bearing (5)
 - Series of steps used by funny airline (5)
 - Fortnight trustee standing by entrance (9)
 - One denoting lines are free? (8, 4)
 - Blow for church work (4)
 - Neutralise legislation on retail sector? (10)
 - Time to enquire after job (4)
 - Result produced by diet, maybe, expressed in code? (7, 3)
- DOWN**
- Turn up very loud commercial (4)
 - Get rid of books about America (4)
 - Each tribunal's constrained to be severe in judgement (12)
 - A form of public transport ultimately susceptible to damage (5)
 - Remarkable Tibetan, so impervious to argument (9)
 - Security officer subsequently given a pound (10)
 - Enquiries about resources in estate bounded by shabby streets? (5, 5)
 - An agreeable time? (3, 2, 7)
 - Timid creature liable to give a sad cry, etc? (7-3)
 - The men they lead will be out on the beat (4-6)
 - Twice dismissed, being unqualified? (3-3-3)
 - Temporary accommodation found all around Spain, in principle (5)
 - Body armour conveyed by post (4)
 - Way old women pack (4)

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Referee in ban appeal

Football

Kurt Röthlisberger, the international referee accused of attempted bribery, yesterday appealed against a life ban imposed by Uefa, football's European governing body.

Uefa's control and disciplinary committee, which handed out the punishment last Thursday, confirmed it had received the written appeal well within the stipulated deadline.

Röthlisberger, who has officiated at both European and World Cup matches, was barred for alleged attempted bribery in the Champions' Cup match between Grasshopper and Auxerre in October 1996.

The former Fifa referee rejected the charge that he was in-

volved with any bribery attempt and said the whole problem started after a casual conversation he held with the Grasshopper manager, Erich Vogel, was taken out of context.

"Certainly it was dumb speaking in a purely hypothetical fashion before the game about bribery possibilities," said Röthlisberger's lawyer, Peter Treyer. "But the claim of attempted bribery is without any foundation."

Röthlisberger has faced controversy before, and was criticised by Fifa, the game's world governing body, for failing to give a foul against Germany - the victors - in the 70th minute of a 1994 World Cup match against Belgium.

The Swiss newspaper *Blick*, meanwhile, has accused Röth-

lisberger of offering to bribe the Spanish referee of a World Cup qualifying match between Switzerland and Norway, which the Swiss lost 1-0 last November.

Röthlisberger claimed it was *Blick* that had tried to bribe him to assure a Swiss victory, but subsequently said the matter was not so clear-cut.

While the allegations involve an international match, Fifa said it would not investigate the referee. "What has been going on between *Blick* and Röthlisberger has just been rumours with no solid evidence to back up these allegations up," Andreas Herren, a Fifa spokesman, said.

Herren said that neither the Norwegians nor the Swiss had complained about the way the qualifier had been conducted.

Blatter blast targets 'cheats'

Sepp Blatter, the general secretary of football's world governing body, Fifa, has accused players of increasingly trying to cheat referees.

Writing in the April issue of *Fifa News*, its monthly newsletter, Blatter also confirmed Fifa's opposition to the use of video technology in matches.

"There is, in many countries, a growing tendency to deceive the referee," Blatter said. "When a professional star takes a dive, millions of lesser players dive with him. All players, stars and amateurs alike, must acknowledge once and for all that they cannot expect the referee to be sympathetic to their cause when they repeatedly seek to mislead him by simulating fouls and other tricks."

"For such behaviour has a name, and not a very pleasant one: cheating. And referees, for all their human fallibility, do not cheat."

Blatter said coaches had a responsibility to make clear to players that misleading the referee "will be neither encouraged nor tolerated."

"We should give more thought to helping referees rather than criticising them," he said. "The referee's job - and that of the assistant referees, too - is hard enough under normal circumstances... but when [the referee] can no longer trust the players around him it is made immeasurably harder."

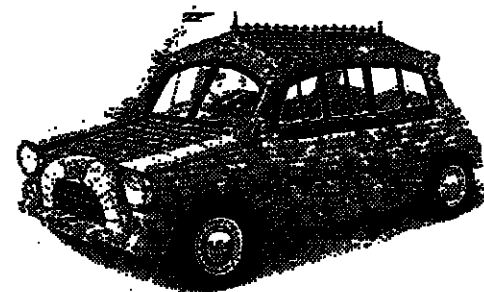
Blatter said that if video technology were to be introduced "the face of football

would change drastically and irrevocably."

He said that Fifa firmly believed that the game must continue to be controlled by people and that human fallibility must remain a feature of the game. "An Italian amateur player, who had two teeth broken in a goalmouth incident and was sent off for protesting about the foul, got even shorter shrift when he took his case to court."

The court, in the northwest town of Aosta, took just three minutes to rule that the foul on Stefano Gioppo, did not constitute a crime. It rejected a charge of grievous bodily harm and a damages suit against Adriano Perucca, whom Gioppo had reported after the incident in October 1994.

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